THE FINANCIAL POST

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SHARP RISE IN EMPLOYMENT AND IN FOREIGN TRADE

Increasing Importance of Organization to Cut Production Cost

RETAIL BUSINESS UP

Enormous Demand for Radio Products — Seasonal Conditions Retard Sale of Staple Products

Two facts of prime significance appear in the business news of the week; a distinct upward turn has taken place in the employment situation, and our favorable foreign trade balance with all countries has reached the annual quarter billion mark, approximately. Beyond this, the general trend continues moderately upward. The circulation of agricultural revenue is only beginning to play a tangible part in retail buying, but prospects for the balance of the year, in this respect, are very promising. A few lines of manufacturing report better demand. The steel and iron industries continue quiet, but mining in all its branches is making very gratifying progress.

Reversing its downward trend which has been under way since July, employment has made a quite substantial recovery in the addition to payrolls of 6,490 men since Sept. 1. This in itself would be of little significance were it not for the fact that thousands of men were thrown out of work with the conclusion of harvesting operations in many parts of the country, and notwithstanding this fact, industry has been able to absorb the surplus. Few indexes of business, it is now realized, give a more reliable estimate of the trend than does employment. It reflects not only the labor situation, but also the general volume of production, both present and prospective. When industry adds new workmen, or continues to retain the services of those it has, through a slack period, it can safely be assumed that the number of enquiries and the general prospects point to greater demand for the product. The substantial improve- which has occurred in employment, especially in Ontario, seems to indicate that this is what is taking place.

Taking the country as a whole, the textile industry has led in the upward movement, having registered its first indication of improvement since July. In Ontario the manufacturing industries provided work for nearly 10,000 more men than were employed in August. In this, the automobile industry figured most prominently. Although the steam railways continued to discharge employees, there was an improvement for transportation as a whole. From a standpoint of area, the Maritime Provinces and Ontario showed an improvement, while the other sections registered a slight decline. Without exception the larger cities all showed some improvement.

Wages More in Line

The rise in the trend of employment suggests that the rise in living costs resulting from higher farm prices has brought the wage scales more in line with general prices, and that for this reason there is less pressure for wage reductions on the part of employers. Rather than taking on more men at existing wages it had apparently been necessary until recently to reduce staffs, to cut the length of the working day, or to lower wages, in order to meet foreign competition. Living costs, however, have tended upward in the interval, making it more difficult to reduce wages and increasing the necessity for longer factory hours and greater efficiency in management and organization if Canadian manufacturers are to meet the competition of the increasingly efficient foreign industries with their low labor costs.

The other highly satisfactory phase of business is the position of

(Continued on page 5)

Canadian Conditions

	1924	1923	Change
Car Loadings—			
Week ending Oct. 18	70,013	74,989	— 6.6%
September	231,934	253,404	— 8.4%
Year to date	2,290,418	2,223,609	+ 3.0%
Building—Nine Months—	$83,934,313	$94,067,170	—10.7%
Bank Clearings—Nine Months—	$11,349,315,471	$11,186,634,753	+ 1.4%
Savings Deposits—Chart. Banks August	$1,178,860,058	$1,189,988,876	—0.9%
Current Loans—By Banks August	$963,347,506	$1,046,295,745	— 7.9%
Net Dominion Debt—September 30—	$2,385,406,851	$2,398,247,483	— 0.5%
Railway Earnings—Nine Months—			
C.P.R.	$124,877,000	$126,140,000	— 1.0%
C.N.R.	172,484,625	180,137,565	— 4.2%
Balance of Trade—12 Months, Sept.—			
Exp.	$1,086,177,945	$1,011,077,426	+ 7.4%
Imp.	826,196,002	902,993,825	— 8.5%
Bal.	259,981,943	108,083,601	+140.6%

JUDGE GARY ON ANNUAL SURVEY BUSINESS TRENDS

Chairman World's Greatest Industry Expresses Opinions

FUTURE ASSURED

If Managers Keep Their Heads and if the Election Results Are Satisfactory Next Month

Special Correspondence.

NEW YORK.—For many years one of the chief events in the business world has been the address of Judge E. H. Gary, the chairman of the United States Steel Corporation, to the American Iron and Steel Institute, of which he is president. The Institute is made up of about 1,500 executives of the U. S. and Canadian steel industry, and the meetings are attended by leading financiers and others. This year, Canada was represented by Robert Hobson, Hamilton, chairman, Steel Co. of Canada, Ross McMaster, Montreal, and Colonel Cantley, British Empire Steel Co., New Glasgow, N. S., while Lt.-Colonel J. B. Maclean, of THE FINANCIAL POST, Toronto, was one of the speakers at the banquet.

In dealing with business conditions, Elbert H. Gary, who made a record on the bench for the wisdom, the soundness, and the justice in his decisions, before he became the dictator of the Steel Co., has brought the judicial attitude into a highly competitive industry. Some of his shareholders and some of his contemporaries have complained that this has been a handicap to them for chairman instead of looking first and always to the capitalistic or investors' interests, could never get away from the judge's attitude, and to their disgust he persisted in regarding their clients and the public and their employees as being co-partners. That is when he had to make decisions instead of following the old principle of getting as much as the traffic would bear, he always asked whether the policies and prices were just and fair to all interests, and instead of trying to get labor as cheap as possible, and in driving it to the limit, he sought to give it not only the highest wages the traffic would stand, but he spent hundreds of millions that used to go to the shareholders in making conditions more comfortable, safe and happy. This has so amazed the professional labor leaders that they still fight the company and insist there is some trick in the whole scheme. But the great intelligent public see only common sense and good business, and this great aristocrat of corporations has become so highly regarded and trusted that demagogues and other spellbinders find attacks on it bring no response.

This year, because of wo-ld conditions and the three-cornered fight at home, Judge Gary's address was looked for with unusual interest. He first dealt at length with the famous Pittsburg plus price decision, which has unsettled the steel trade. Then he emphasized the need for fair play to all interests, closing with the words, "The highest and best rewards come from honest and proper practice. Bad results in the long run come from selfish, unfair and dishonest conduct."

According to the newspaper reports, based on information gathered from usual sources, confirmed by much additional testimony, there has been a persistent, though somewhat irregular, growth in the volume of business generally throughout the United States since May, 1924. It has been considerably larger each succeeding month.

(Continued on page 15)

TOURIST BUSINESS FOR THE MARITIMES

Visitors This Year Left Amount Almost Equal to the Provincial Revenue

From Our Own Correspondent.

OTTAWA.—Efforts on the part of the Canadian National Railways to secure a larger volume of tourist traffic for the Maritime provinces appear to have been successful. It is understood that during the last summer nearly 70,000 tourists visited the province, and it is estimated that they left approximately $3,000,000, an amount almost equal to the provincial revenue.

The Maritime provinces as a whole have been urging the importance of this business both on the Canadian National Railways and the government, and with a measure of success. They see the state of Maine deriving possibly $100,000,000 a year from this business, and holding that the Maritime provinces have as much to show outsiders as Maine has, they think that they would get a great many more tourists, if they were energetically gone after.

From what can be learned, the whole country reaped a fine harvest from tourists this year. The St. Lawrence route had by far the heaviest patronage from Americans in its history. This has led to the making of even greater efforts for tourists next year.

Take Mortgage Money Back to Scotland

The tendency of the mortgage companies to reduce their loans in Western Canada as the result of legislation which impairs security, is indicated in the annual report of the British-Canadian Trust, Ltd., for the year ending August 31, 1924. Despite the fact that, as the directors point out, the mortgage business has somewhat improved, and—although the crops are short of recent years in quantity—there is a large increase in the price of wheat, and better payments may be expected from the borrowers, still it was decided to reduce the volume of loans, and the money was taken back to Scotland for investment there.

BUSINESS MEN REALIZE NEED TO INFORM WEST

Effort Will be Made to Show Advantages of Protection

From Our Own Correspondent.

OTTAWA.—An effort is being made by some defenders of the tariff to place before the farmers of Western Canada the argument for it, in so far as some important lines of business are concerned. Whether these efforts will be successful or not is not known. However, several men whose opinions are of weight in business circles, have made it known to leaders of the Western agrarian movement that they are prepared to go West and discuss the subject before some of the large farmers' conventions, if they get the opportunity.

It has not been as easy to get some manufacturers to consent to do this, as might have been expected. One would naturally think that if a man has a good case that he would only be too eager to state it before his opponents, especially as they have the power to do him much good or harm. But some have taken the ground that it is useless to advocate tariff between Fort William and the Rockies, and that to attempt to do so would be to waste time. But those who say "go," think that the Westerners, though they may be vigorous in the expression of their opinions, also are of the opinion that these same Westerners are fair-minded enough to hear both sides.

Those who favor the placing of the case for the tariff before the West say that the changes brought about in conditions through the increase in grain prices affords an unusually good opportunity to drive home the truth that not the tariff, but other causes have been responsible for the farmers' troubles during the last few years. They point out that the reductions made in customs duties last session have not been appreciably felt by the farmers, but that their position has been greatly benefited through the rise in wheat prices.

These same men also point out that if nothing is done to place the facts of the tariff situation before the prairie public, one need not be surprised if public opinion out there favors low tariff, or even free trade. They say that the case for the tariff should not be left entirely to the politicians, and they are prepared to do their share.

SOON HAVE POWER FROM OTTAWA RIVER

Big Calumet Island Plant Nearing Completion—Will Provide 25,000 H.P. at First

From Our Own Correspondent.

MONTREAL.—Progress on the new development of the Ottawa River Power Company has been maintained up to schedule, and this fine, new power project is well on the way to completion. Power will be turned on some time in December, it is likely, although the power house may not be completely fitted up by that time. The initial installation will develop 25,000 h.p., and it is learned that this has been almost entirely sold. As the sale of power warrants additional installations, a second 25,000 h.p. unit will be installed, while provision has been made for still a third turbine generator.

A party of directors, engineers, etc., headed by A. J. Nesbitt, the president, visited the property on Calumet Island, on the Ottawa River, opposite Bryson, P. Q., this week, and were amazed by the size of the undertaking.

Some 130,000 cubic yards of excavation has been carried out in solid rock, with 26,000 cu. yds, still to do. Nearly 60,000 cu. yds. of concrete has been poured, with over 18,000 cu. yds. to pour. There are 700 men at work on the development. Over 2,200 tons of steel is being used for reinforcing and structural work, and 1,250,000 bricks.

One of the interested visitors was E. W. Petters, managing director of Vickers-Petters, in England. Mr. Petters is president of the British Engineers' Association, and was the creator of the Palace of Engineering at Wembley.

Ottawa River Power Company is a subsidiary of the Ottawa -Hull Power Company.

THE MOVEMENT FOR STILL BIGGER BANKS GOES ON

Bank of Montreal Will Now Take Over The Molsons

The Molsons Bank, the only family institution among the chartered banks of Canada, is being absorbed by the Bank of Montreal. In this is indicated the trend of modern business and finance, in which the big corporation succeeds the small company or family institution, because the demands of public service require increasingly large, highly-organized machines to facilitate the transaction of domestic and international trade. Again is illustrated, too, the trend of developments leading to a smaller number of big banks, not because of manipulation by the financial interests, as the public may be led to believe, but because efficiency in service at low cost favors the bigger banks, and because public deposits are shifting in the same direction. Whether the advantages gained altogether offset the loss of that close relationship between bank and customer, which is the outstanding feature of the American banking system, is a point upon which there may be room for difference of opinion.

The basis of the agreement is that the Molsons Bank shareholders will receive two shares of Bank of Montreal stock for three shares of Molsons Bank stock, and, in addition, a cash bonus of $10 for each Molsons Bank share.

The Molsons Bank shareholders will receive their regular quarterly dividend on 1st January next, and the shares received from the Bank of Montreal for distribution to the Molsons Bank shareholders will rank for regular dividend as and from 1st December, 1924.

Bank of Montreal shares sold at 249, while Molsons Bank stock sold at the new high of 172 prior to the announcement. On the basis of yesterday's prices for Bank of Montreal. Molsons Bank shareholders will receive the equivalent of 176 for their shares. Both stocks have been on a 12 per cent. dividend basis, but the Bank of Montreal has been paying a 2 per cent. bonus since 1920. The Molsons Bank dividend was increased from 11 to 12 per cent. in 1919.

The institution which will result from this absorption will be a bank with total assets of nearly three-quarters of a billion dollars, or more than one hundred and fifty millions greater than the bank with the second greatest assets. In the matter of capital and rest it will be over ten millions greater than the second bank, while its deposits will total over half a billion.

The Molsons Bank has about 110 branches, nearly all of which are in the provinces of Ontario and Quebec,

(Continued on page 16)

BRITISH ELECTION FACTOR IN TARIFF

Australia After Bigger Market Than Canada for Dried Fruits —The McKenna Duties

From Our Own Correspondent.

OTTAWA.—The intimation from the Australian government that it desired the ratification of the trade treaty by the Canadian parliament before giving effect to the same, has occasioned surprise here, for the government has proceeded under the impression that the Australians would consent to its coming into effect under order-in-council.

While it may not have anything to do with Australia's attitude on this matter, there is an impression that Australia is after bigger game than the Canadian market for her dried fruits. She is after the British market, which she hopes to obtain through the securing of a substantial preference, which, in time, it hopes may be extended to wheat. It is also thought that she hopes that the result of the British elections may be such as to bring back the trade preferentialists into office.

The British elections are also being followed here with keen interest, for the incoming of a Conservative government would, it is believed, mean not only the return of the McKenna duties, but the introduction of quite an extended measure of preferential trade legislation. The attitude of the government here has been not to do anything that might suggest the taking of sides on a matter of British domestic policy, but to take advantage of any opportunity for increasing Canada's trade that may be presented.

Textile Mills Find Business is Better

From Our Own Correspondent.

MONTREAL. — Investors have found cause for cheer in the marked improvement shown in the textile industry in Canada. Trade has improved quite considerably, and prospects are for capacity operation of the cotton mills until well after Christmas.

This is the more gratifying in view of the fact that the mills have been operating at scarcely fifty per cent. of capacity for some time.

Shawinigan Will Build New Plant

From Our Own Correspondent.

MONTREAL. — Shawinigan Water and Power Company is understood to have another large power project in contemplation. This will involve a 20,000 h.p. development on the Batiscan River.

The North Shore Power Company, a subsidiary of the Shawinigan Water and Power Company, already has a small development on the Batiscan River. It is one of the oldest power plants in Canada.

No announcement has been made by Shawinigan of its construction or financing plans.

GRAIN RECEIPTS RUNNING HIGHER THAN LAST YEAR

More Accurate Methods Needed for Estimating Crop Acreage

By E. CORA HIND, Commercial Editor, Manitoba Free Press.

WINNIPEG.—During the past week of unbroken fine weather, threshing has been rushed on all hands and a heavy increase in receipts has marked each day of the past week, until now the receipts are running higher than for the corresponding period of last year. The grades, however, are not keeping pace and receipts of contract are not much over 50 per cent. of the gross.

Deliveries of wheat through the clearing house have been heavy this October, indicating that the British and other importers have not been taking our wheat. This is due, no doubt, to the fact that it is above the world's parity and is being delivered on the option. Often at this time of the year cash wheat is being bought at a premium to fill boats, though in 1923 somewhat the same conditions prevailed.

The Grain Standards Board for Canada is at present in session and they are confronted with no less than 172 sacks of two bushels each from which it is their business to select the commercial grades for the crop of 1924. It is expected that the work will take two full days, possibly longer. The attendance of the board is the largest for some years, and both the East and the extreme West are fully represented. Unloadings at Vancouver are running about 125 cars daily and one Japanese vessel has loaded 410,000 bushels this week. Loadings over the week end were fair.

The Manitoba Free Press has published the final outturns of the crop of wheat of 1923, having secured returns of wheat ground in country mills and uninspected. The securing of these figures always takes a long time.

The final outturn shows the marketable wheat crop to have been 442,033,913 bushels, being 134,495,350 for Alberta; Saskatchewan 270,660,510, and Manitoba 36,878,053. Much of the interest in the final outturn of the crop centres on how nearly the estimates made in September of 1923, by The Manitoba Free Press, the

(Continued on page 16)

ARE NOT MISSED IN CIVIL SERVICE

Hundreds Have Retired and Their Positions Have Not Been Filled

From Our Own Correspondent.

OTTAWA.—That in the Civil Service there are many positions which might be abolished with no loss to its efficiency, or to the country, is to be seen in the number of retirements effected under the Calder Act, and the resulting vacancies that have not been filled. Up to the end of 1923, the number of such retirements was 1,289, of which 510 vacancies had not been filled. This is because their duties were taken over by others already in the employ of the government.

No one at all acquainted with the service thinks that this 510, which, of course, has been considerably added to by this time, exhausts the number of those whose services might be dispensed with without loss to the efficiency of the administration. Many more, doubtless, could be dispensed with, but it is improbable that there will be much further letting out unless reorganization of some of the departments is undertaken.

Talk of a general election within the next year is again going the rounds, and with considerable likelihood of it taking place. If it is based on good grounds, then it is improbable that much shaking up in the departments will be done, for the comeback is always a matter of concern to the politicians.

NOT AUTHORIZED AGENT

A man giving the name of Fortier has recently been representing himself as subscription agent for THE FINANCIAL POST in the Montreal district. This man is not an authorized representative of this paper and the publishers would appreciate it if anyone approached by him would communicate with the MacLean Publishing Company, Southam Building, Bleury Street. Telephone Lancaster 7181.

REPARATIONS MAY PUT SOME FIRMS IN STRONG SHAPE

Can. Steamships and Besco Have Claimed $23,000,000 From Late Enemy

PUGSLEY IN HIDING

Commissioner is Expected to Have His Report Ready to Bring Down at Next Session of Parliament

From Our Own Correspondent.

MONTREAL. — After hearing claims from many people for losses incurred as a result of the war, Hon. William Pugsley, the commissioner appointed to hear claims for reparations against Germany, went into voluntary seclusion, and has given no idea as to when his awards, if any, may be made public. But it is felt by many of those who have made claims against Germany, that adjudication of their claims will not be long deloyed. It is expected that Dr. Pugsley's report will be ready for the next session of parliament.

Events in Europe of late have stirred the expectations of many claimants. Germany's change of heart, as expressed in her willingness, in fact, her readiness to meet reparations payments, seems to give excellent promise of funds being available to Canada to pay such claims as may be awarded by Mr. Pugsley. Out of every reparations payment a fixed proportion accrues to Canada, and this together with the balance remaining in the Enemy Property Fund at Ottawa, comprise the security for the Canadian claimants.

Some Big Claims Made

If the awards approach in any large degree the demands made by Canadian claimants, they may, indeed, prove the financial salvation of some Canadian companies. Two of the largest claims, and two in which Canadian investors have a marked interest, are the claim of Canada Steamships, and of the British Empire Steel Corporation. These claims are made up largely of losses of boats during the war, and attendant charges, such- as excess insurance premiums.

Canada Steamships Lines has put in a claim for around $6,000,000. It would be indiscreet to discuss the possibility of the company getting this sum, or any part of it, while the matter is subjudice, but it may be pointed out that the company does not carry its expectations as assets, and any payments made would add to the company's liquid resources by the full amount of the payment.

Besco Asks $17,000,000

Similarly with the British Empire Steel Corporation. The various constituent companies of this organization have between them put in claims aggregating around $17,000,000. Any payment received by Besco on this account woud lbe "velvet."

The companies and individuals that have made claims have been greatly perturbed by the gradual depletion of the alien enemy property fund at Ottawa through release of enemy property found to be registered wrongly in the name of aliens. They feel that this fund is their immediate bulwark, securing payment of any awards made to them.

DOMINION ENGINEERING GETS ORDER

MONTREAL.—Dominion Engineering Works is understood to be getting the order for the additional hydraulic equipment for the Southern Canada Power Company's new development at Hemming's Falls.

FEATURES

Indicators Show Upward Tendency Despite Losses 2
Value of Rye Almost Double That of 1923 2
Imperial Oil Has Nearly $100,000,000 Invested in S. America 3
Canada Still Setting Pace in New Railroads 3
Huge Sum to be Made Available for Investment 4
Montreal Trams to Revolutionize Much of Service 5
Future of Pulp and Paper Industry in Nova Scotia 6
Manitoba Pulp Co. to Spend Over $2,000,000 6
Winnipeg Hydro Protesting Deal for Backus Dam 7
Bell Telephone Goes Up As Bond Yield Goes Down 7
Small Issues Find Favor on Mining Exchange 8
Financing of Crown Reserve's Mill is Announced 8
Does It Pay Bank to Make Loans Under Section 88? 9
Crop Price Rise May Cause Boom in Farm Land Values 10
Low Yields Widen Interest in Investments 12
Reduction in Civic Payrolls is Urged 13
Reach Agreement on Uniform Fire Insurance Laws 14
Can Suspend Auto Insurance During Winter in U. S. 14
G. T. R. Directors Blamed for Loss of Investments 15
November Dividend Payments Will Total $41,589,000 15
New Oil Bearing Formation Found in Western Ontario 16

DOMINION OF CANADA LOAN 1924

THE BANK OF MONTREAL at all its Branches will accept applications for the New Dominion Government Bonds either from new subscribers or from holders of Victory Loan Bonds maturing 1st November, 1924, who wish to exchange for the new issue.

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Canada Permanent Mortgage Corporation

14-18 Toronto Street - Toronto

ASSETS EXCEED $43,000,000.00

INDICATORS SHOW UPWARD TENDENCY DESPITE LOSSES

Car Loadings and Exports Register Increase in Production

An analysis of fundamental business conditions in Canada, based on a study of the various trade indexes, shows a considerable diversity. Some of the factors indicate a strong and improving position, while others reflect a position rather less favorable than that of last year. Undoubtedly the most important factor in the whole business situation is the particularly favorable standing of agriculture as a consequence of high grain prices. The farmer is reported to be liquidating his debts to a more marked degree than at any time since the beginning of the present depression. This, however, is not yet materially reflected in the general retail business of the country except locally.

The employment situation has shown an improvement over last month. The composite figure prepared by the Dominion Bureau of Statistics rose from 93.1 at the beginning of September, to 93.9 for October. There was an improvement in the Maritimes and Ontario, but the figures for Quebec, the prairie provinces, and British Columbia all showed a decline. All of the larger cities showed an improvement with the exception of Winnipeg and Vancouver. On the whole there is less danger of serious unemployment this winter than was the case a month or two ago The state of employment is an extremely valuable and accurate measure of production and business in general.

Failures have been steadily declining in Canada and recent figures indicate that we are approaching a more stable state of business. There are still a large number of failures, as shown in the accompanying chart, with heavy liabilities. This is scarcely a reliable index of the general condition of business and industry, in view of the present ease of bankruptcy, but it is at least a rough indicator.

Car loadings, as stated in another column, show a substantial rise during the last few weeks. This, while little more than seasonal, is important because it has been due, not specially to the transfer of grain, as normally, but to the shipment of other commodities such as livestock, coal, pulp and paper and so on. In other words, car loading figures indicate an increase in the volume of production.

There is nothing in the business situation more indicative of business progress than the improvement which is taking place in our foreign trade position. During the twelve months ending with September 30, imports decreased by $76,797,000 in comparison with the previous year and exports increased by $76,265,000. The favorable balance of trade was thus increased in the grand total by $153,000,000. This is partly due to the large grain crops of 1923, but it is also due to increased sales of other commodities, such as pulp and paper.

While the volume of building for the year is still below that of either of the last two years, the present position is above that of either 1922 or 1923, and with the increased revenues from farm products, and the increase of winter building in Canada, there are signs of the maintenance of something like the present volume of building.

It is difficult to sum up what has been said since the various indicators differ somewhat. There is, however, a dominant trend upward in spite of some discouraging conditions, and, while many branches of industry are still directly affected by the state of depression which exists, there are various phases in which gradual but sure improvement is taking place.

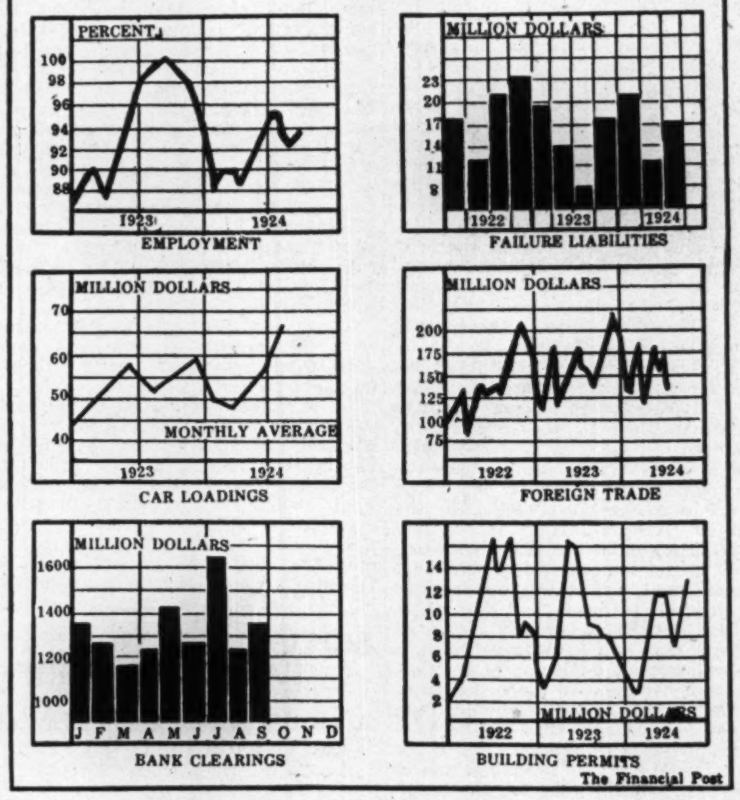
The following figures indicate the state of business in the industries concerned:

Building Permits
(000 omitted)

1922	1923	1924
$ 2,942	$ 3,682	$ 3,718
4,358	4,530	3,274
9,021	6,318	8,008
14,521	16,930	11,534
14,373	16,608	12,823
14,572	13,011	12,225
14,584	11,130	10,281
17,174	9,238	7,452
10,198	9,327	13,733
8,909	8,299	......
9,720	8,000	......
8,605	6,770	......

Foreign Trade
(000 omitted)

1922	1923	1924
$ 97,674	$132,744	$136,922
100,340	102,963	130,465
138,918	178,439	180,568
79,612	121,823	109,721
135,267	159,079	177,369
133,429	178,383	154,723
131,187	160,071	160,851
140,740	158,847	136,791
131,911	138,893	......
169,550	176,463	......
206,990	210,172	......
181,077	190,371	......



EMPLOYMENT — FAILURE LIABILITIES — CAR LOADINGS — FOREIGN TRADE — BANK CLEARINGS — BUILDING PERMITS

The Financial Post

SHOE MAKERS COMPLAIN

MONTREAL. — The Canadian shoe manufacturers have given an emphatic and positive denial to the report from Ottawa that more shoes were made in Canada last year than in 1922. According to a statement issued by the Canadian Shoe Manufacturers' Association, they declare that, on the contrary, the 1923 production was less than that of the preceding year by at least 600,000 pairs.

VALUE OF RYE ALMOST DOUBLE THAT OF 1923

Used as Wheat Substitute And Valuable in Mixed Farming

From Our Own Correspondent.

WINNIPEG.—Of all crops in Western Canada rye is giving the most amazingly good results this year, although the rye acreage is only about 3 per cent. of that in wheat. It yielded well, is grading high, and it has made the largest percentage advance in price. Wheat has been running about 50 per cent. above last year's price, oats about the same, and barley somewhat better. But rye has been selling at double last year's figures. From 643,000 acres it is estimated that 11,275,000 bushels have been harvested, which as prices have been going, will be worth about $14,000,000, basis Fort William prices Last year's total yield was about the same, grown on a much larger acreage, and the gross value was about half.

The western farmer does not ordinarily set out deliberately to grow rye. What is planted is planted in order to fit into the general scheme of farming. It can be sown in the fall in all the provinces, whereas only rarely can fall wheat be grown. It can be pastured in the fall and again in the spring when other pastures are scarce, and it can be cut, threshed and out of the way before the other grains require attention. Thus it can be grown in order to make a better distribution of farm labor and in order to fit in with mixed farming practices. It is ordinarily expected to give a cash return much below that of wheat from a similar acreage. It is not subject to rust, however, and sometimes replaces wheat on that account. On the other hand it is often infected with ergot, which makes it a dangerous feed for breeding stock, and consequently even when prices are low rye is likely to be sold instead of fed on the farm.

Rye is both the staple crop and the staple food of Central Europe. European rye crops are reported to be short of last year's yield by something like 150,000,000 bushels this year. That alone is enough to account for a considerable increase in price. The world shortage and the high prices of wheat introduce another factor. Higher cost wheat probably drives a certain number of people who like to eat wheat bread when they can, to the consumption of the coarser and cheaper rye, with the result that the cost of the cheaper food increases more rapidly than that of the more expensive ones. The same principle can be seen at work in connection with meat prices, which, in spite of conditions pointing to comparative meat shortage in the near future, continue to be low. Every increase of price in meat tends to reduce consumption, and it is only when you get down to the cheapest classes of food that saving by substitution becomes impossible.

URGE BUDGETING FOR BETTER MANAGEMENT

Combination of Scientific Forecasting and Budgeting Future Costs

The problem of the bearing which scientific business forecasting has upon budgeting future costs was the topic with which the Toronto section of "Management Week" closed their series of meetings. Prof. H. Michell of McMaster University, opened the discussion and proceeded to outline the work already accomplished in the field of business forecasting. He showed that over a period of years the business cycle occurred with regularity, completing its span, on the average, about every four years. By the aid of his well known "business barometer," Prof. Michell showed how it was possible to anticipate business changes and movements with a reasonable degree of assurance. He indicated the regularity with which the stock market movements are duplicated a few months later by the general business trend as represented by wholesale prices, and how, after a similar period of time, money market conditions follow a like trend.

Following Prof. Michell, R. L. Wright, president of the Canadian Society of Cost Accountants, showed that, assuming the accuracy of the forecasting system just outlined, cost accounting, and especially budgeting, could be carried on in advance for a period of time, with a corresponding degree of accuracy. This, Mr. Wright pointed out, would enable the manager to estimate his revenue and expense in advance, within a very close margin, thus eliminating risk and avoiding over-expansion, or the reverse. Mr. Wright made the claim that the advances that cost accounting has made, assisted by an accurate method of forecasting, involved tremendous possibilities for lowering costs and in general equalizing supply and demand. This, he suggested, was accomplished by Henry Ford in the production of automobiles. Not only would the combination be of profound value to the individual firm, but it would tend to straighten out the curves and swings of business, lower the number of failures, and, in general, make business and production safer and more attractive fields for investment.

FORD SEPTEMBER OUTPUT

DETROIT.—Ford Motor Co.'s domestic production in September was 149,906 cars and trucks against 140,376 in August and 140,253 in July. Domestic output for nine months totals 1,412,930, an increase of 14,498 over the first nine months of 1923.

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TEAGLE ON OIL

Sees No New Production to Cause Trouble

TULSA.—Walter C. Teagle, president of Standard Oil of New Jersey, on inspection trip with other officials of the company, says he does not fear any ill effects from new production sources in the near future. Regarding prospective fields in Colorado and foreign countries, he discounts any effect these areas might have as remote.

On the whole he expressed himself as optimistic regarding oil conditions, but advised against any premature drilling campaign.

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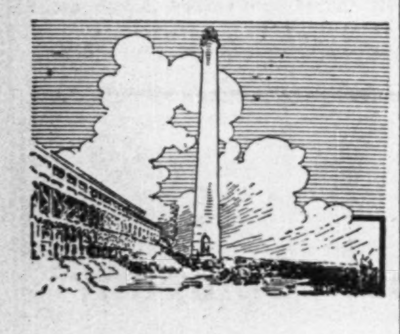

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Canada Assured of Oil Supply for Many Years

TWO LARGE FIELDS

Peru and Colombia Developments Are Constantly Adding to Supply, Says Vice-Pres. V. Ross

That the operations of Imperial Oil in South America have placed the company in a position in which its reserves of raw material—crude oil—are practically assured for the long future, according to Victor Ross, vice-president of Imperial Oil, in an article in the company's monthly publication, "The Salesmotor."

It is more than a decade since the company began to look to South America for sources of petroleum supply. At that time the motor car had yet to show signs of the tremendous appetite for petroleum products which it has since developed, and the Petrolia field, Canada's only source of domestic supply, was steadily declining. Nevertheless, no great fears for the future were held, for the reason that it was hoped that there were sources of large supply in the Canadian West to be tapped by the simple process of drilling.

However, through the rather indifferent success of some Old Country operators, the situation developed by which an oil field in Peru of small proportions and unknown potentialities was offered to Imperial Oil, and the outcome was the organization of a subsidiary company, the present International Petroleum Company, to take over the field and develop it to the extent of its possibilities.

The oil field of Peru is situated in the most westerly area of South America, at the place where, like a nose, Parinas Point sticks into the Pacific. To the north and south of it for miles lie the deserts paralleling the ocean shore, and behind these the palisades of the Andes.

The previous company had been operating for a number of years, but up until the time of turning the project over to the International Petroleum had not accomplished a great deal in the way of development. The capacity of the refinery was not quite sufficient to supply even the then demand of the west coast of South America. The company's concession consisted of some four hundred thousand acres of desert area, but the oil resources, outside of a very small section, could be listed only as possiblities

One of the first requirements was a comprehensive geological survey, so that the drillers might carry on without exhausting themselves in futile drilling, and this survey was arranged for through the head office of the Imperial in Toronto. It marked the first effort upon the part of Canadians to secure a source of oil supply beyond the borders of the Dominion. In the intervening years this geologic work has been a very important branch of the company's activities in South America and through it the field has been traced beyond the original confines.

Following close on the geologists came the drillers, and at the same time a large construction corps set about enlarging and modernizing the refinery. The grade of Peruvian oil is high, containing a large content of superior lubricants, as a consequence of which there was very little residue to sell as fuel oil, and for this residue a ready market was offered by the nitrate industry in Chile, to the south.

The Peruvian field has now developed to the point where the production is 30,000 barrels a day, and this with only a part of the field developed. Ioco, the refinery near Vancouver, has been drawing from Peru for several years, and lubricating stock from Peruvian oil is distributed all across Canada. During the months of over-production in the United States last summer, however, when oil was selling below its intrinsic value, the International Petroleum Company shut in a large part of the Peruvian production, preferring to conserve its high-grade oil exclusively for the uses where it is most valuable, and in the meantime to use their drilling equipment in "wildcatting" hitherto undeveloped sections of their field. As a consequence, the area of the field has been very much enlarged, and, with the possibilities offered by this enlarged area, it may be said that there is no probability of Canada running short of petroleum on the Western side so long as a tanker will float on the bosom of the Pacific Ocean.

Canadian operations in Colombia, although of more recent origin, are giving promise of even greater ultimate capacity than in Peru. In Colombia, the field is a long way removed from tidewater, and this constitutes the greatest problem that confronts the operating company. Access to the field is at present gained by light draft boats on the Magdalena River. Some attempt has been made to bring oil down the river in these steamers, but it is now apparent that nothing short of a pipe line, which is going to run into millions of dollars, will serve the purpose, which is primarily to guarantee a continuous supply for Canada from the Atlantic coast side. A refinery of 1,500 barrels a day capacity is in operation at Barranca-Bermeja, which is the river landing for the field, which is located some thirty miles inland from the river, but this refinery is designed only to furnish the requirements of the country up and down the river from the plant. The present potential production of the field is about 7,000 barrels a day, but this is with only a small part of the field drilled. There are three distinct anticlines, and they have been traced across country for a long distance. Wherever they have been drilled they have produced oil. What their capacity will become when fully developed is something that remains to be seen, but sufficient has already been demonstrated to prove beyond doubt that the Montreal and Halifax refineries will always be liberally supplied with plenty for interior points if such becomes necessary. With the St. Lawrence Canal some day completed, we may yet witness the spectacle of ocean-going tankers delivering crude at the refinery at Sarnia, for use of Ontario motorists.

The total investment by the Canadian company actual and immediately contemplated, in South America, is now running away up toward the hundred million mark, but as a provision against an oil famine in Canada it may be regarded as the acme of completeness.

INCOME TAX IN CANADA HIGHER THAN IN STATES

But Details Not Available as in That Country

From Our Own Correspondent.

OTTAWA.—The sensation created in the United States through the publication of the amounts paid under the income tax might have been repeated in this country if certain efforts made during the last session of parliament, had been successful.

Following the publication in certain papers of vague statements suggesting that possibly favoritism had been shown in the collection of the income tax in this country, the matter was referred by vote of the House to the Public Accounts Committee. To that body it went, but as there were more interesting subjects to engage the members, it was found impossible to get a quorum, and so the matter was dropped.

It is doubtful whether the committee would have taken action any way. It might have questioned the Commissioner of Taxation, but it is very doubtful whether this would have been done, unless definite charges had been made. At the time it was generally thought an effort was being made to secure publicity for the business profits and income tax returns. To such action, Hon. J. A. Robb is understood to be opposed on the ground that while it would do very little good, on the other hand it would almost certainly do very great harm.

The United States income tax returns bring home the fact that wealthy people in Canada pay higher income taxes generally than do those across the line. The explanation is to be found in the circumstance that the wealthy American who has made his money is very largely escaping taxation through investing in tax-exempt securities. In Canada there are probably not more than $1,000,000,000 of tax-exempt war bonds out. Across the line, however, in addition to the immense volume of tax-free war bonds that exist, there is also an equally large volume of municipal and state bonds on which no federal income tax can be collected, and this is being added to every year. These the wealthy Americans buy with avidity.

The Canadian, whose income is derived from salary, or professional fees, pays heavier than does the American. In this country no distinction is made between earned and unearned income, but in the United States earned income is taxed at a 25 per cent. lower rate than it is in this country, all incomes up to $5,000 being considered earned.

AGITATION CAUSES MUCH UNSETTLEMENT

Organizations by Putting Shoulder to Wheel Could Help, Says Official

From Our Own Correspondent.

CALGARY.—Considerable attention is being paid locally to a statement made in Calgary the other day by Charles Murphy, general manager of western lines of the Canadian Pacific regarding the amount of agitation which is just now being carried on by such organizations as boards of trade, which was holding business up to a considerable extent. It is thought that he had in mind the Crow's Nest agreement. He remarked that if there was less agitation and a little more co-operation all round it would be better for everyone. It was impossible for the Canadian Pacific to plan any development work ahead in view of the set of conditions which prevailed at the present time. All it did was to keep the company on edge, and instead of going ahead it simply meant that there was curtailment of work with the natural sequel of staff reductions.

It had been owing to unsettled conditions, caused largely by the agitation mentioned that 2,200 men had been laid off a short time ago in the west by the Canadian Pacific, many of whom could not be re-engaged. Indeed, Mr. Murphy hinted that there would be a further lay-off of employees at the Ogden shops, and this, within the past few days has actually occurred. Mr. Murphy, when in Calgary, said it was most unfortunate when the country, generally, was in a position to go forward that everybody did not put their shoulder to the wheel instead of encouraging agitation which merely set the hands of the clock backwards.

To have an invention protected all over the world it is necessary to take out nearly 70 patents in as many different countries, the estimated cost of which is about $25,000.

CANADA IS STILL SETTING PACE IN NEW RAILROADS

Construction Greater Per Capita Than Any Other Country

From Our Own Correspondent.

OTTAWA.—In proportion to population, there is no other country in the world still increasing its railway mileage as fast as is Canada. This is made apparent by the railway returns for 1923 just published by the Dominion Bureau of Statistics. These show that at the end of June, 1919, the single track mileage was 38,896 miles, so that between then and the end of December last there had been an increase of 1,998 miles. Nor is this all, for the number of miles under construction at the end of December last was 2,273, of which 2,098 were in the provinces of Alberta, Saskatchewan and British Columbia. As these figures do not include the Canadian National lines authorized during the last session of parliament, it is evident that there are fully 3,000 miles of road either under construction or about to be undertaken. It is also certain that more Canadian National lines will be authorized during the coming session of parliament.

The freight movement on Canadian steam railways last year was not only the highest in the history of the country, but, from present indications, the record then made will stand for some time. It represented 102,258,933 tons of revenue freight, or 34,067,658,527 ton miles, which was 2,173,247,048 greater than in 1922, the previous best year. This was made possible through an unusual combination of favorable circumstances, the largest wheat crop in the history of the country, and an unusually heavy output of coal. Then there was a very heavy movement of freight from the United States.

But the returns also show that while the freight movement was 12 per cent. greater than in 1922, truly a remarkable figure, freight revenue increased by only 6½ per cent. Fortunately passenger revenue made a better showing, with an increase of $5,728,696, or 7 per cent. This produced a total increase in revenues of $37,650,919, or 8½ per cent. But operating expenses increased by $19,935,412, or 5 per cent., making a net increase of revenues of $17,715,507.

Low Rates Cut Income

That the railways did not make more out of their freight movement was not due to lack of efficiency on their part, for the report says that freight trains were loaded heavier on an average than they were during any previous year. Larger locomotives and heavier loading of cars increased the load to 502 tons of revenue freight, an increase of 21 tons over 1922, and of 45 tons over 1920.

The largest contributor to the freight movement was the mining industry, which handled over 40,797,000 tons. Next came agricultural products with 25,758,000 tons. Animal products accounted for 3,424,923 tons, forest products for 19,453,000 tons, and miscellaneous products for 28,706,000 tons.

The total miles of single track at the end of 1923 was 40,094, while total of all tracks was 52,365 miles. Ontario, with 10,956 has the largest railway mileage. Saskatchewan comes next with 6,517 miles, Quebec is third with 4,919 miles, Alberta fourth with 4,787, Manitoba fifth with 4,521, followed by British Columbia with 4,395, New Brunswick with 1,947, Nova Scotia 1,447, and P. E. I. 277 miles.

Livestock and Pulp Swell Car Loadings

The significant fact with regard to the last week's figures for revenue car loadings in Canada is that although the total is still below corresponding weeks last year, there has been a continual increase during recent weeks this year, as a result not so much of grain movements as of the increase in the livestock and pulp and paper loadings. These rises are much more significant in relation to the progress of business and industry than mere increases in the shipments of grain.

Coal shipments also have begun to increase, as mentioned last week, as a result of the settlement of the Alberta coal strike which has terminated for the present at least. There was also a heavier movement of merchandise in Western Canada.

Cumulative loadings for 1924 to date amount to 2,290,418, as against 2,223,609 for the same period last year, and it is encouraging for business to note that this week's loadings, and those of last week as well, are higher than at any previous date this year and were exceeded last year only by those at this time of year.

Boards of Trade to Consider Preference

The question of the tariff and the fostering of inter-imperial trade between Canada, the Mother country, and sister dominions, will be brought before the convention of the Ontario Associated Boards of Trade in Toronto, Nov. 21 and 22, in a resolution to be submitted by the Belleville Chamber of Commerce. A generous system of preference and the continuous employment and subsidizing of the Canadian Merchant Marine, and low freight, postal and telegraph rates, are suggested in order to make the British Empire so far as possible one economic unit.

A man is known by the company he keeps, and a company is known by the men it keeps.—Shoe and Leather Reporter.

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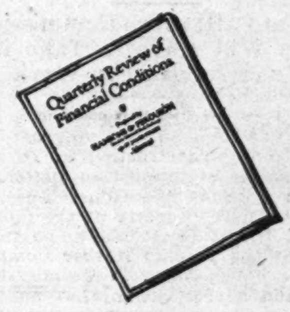

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News and Views for Investors

HUGE SUMS TO BE MADE AVAILABLE FOR INVESTMENT

Bond Scarcity Will Focus Attention on Stocks

The stock markets are showing considerably more buoyancy and activity. There are two factors working to this end. One of them is the better tone of the New York market. It is evidently discounting the business improvement which is being predicted from the clearing of the political atmosphere by Tuesday's elections. Of more importance to the Canadian lists, however, is the investment situation in the Dominion. Large amounts of funds are to be made available for reinvestment. The major portion of these funds is the balance of the $107,000,000 issue which was not reinvested when an offering of Dominion bonds was made a short time ago. It is believed that not more than $25,000,000 went into the new issue. To the remaining $82,000,000 which will be placed back in the hands of the investor, is to be added $46,000,000 interest, or a total of $128,000,000. Bonds are scarce and as a result yields are down to a very low basis, especially on Government and municipal issues. Considerable of these funds are institutional, and doubtless arrangements for the investment of these have already been made. It is the small investor who does not rush into buying again immediately he gets his funds and who may take a week or so to decide, that is going to face the problem of what to do with his money. Incidentally, it is the small investor who is going to prolong this situation for several weeks until these new funds are once again absorbed by the market.

Present indications are that industrial bonds and good investment stocks will receive much attention. The small investor will sacrifice something in security to get a better yield. This fact is doubtless responsible for a measure of activity in the bank shares which have shown a great deal of strength of late, and some of which are at new levels for the year. It is evident that the fear of the double liability clause, entertained for a time after the Home Bank case, is no longer a factor. The table below shows the position and yield of the bank shares along with the low and high for the year. It will be seen that half of them are now selling at the high mark while the yields have been steadily reduced.

	Yr. High	Yr. Low	Pres.	Yield
Commerce	205	182	205	6.33
Dominion	190	177	190	6.83
Hochelaga	150	143	146	6.84
Imperial	183	169½	183	7.09
Molsons	168	146	168	7.14
Montreal	250	231	249½	5.61
Nova Scotia ...	259½	248	259½	6.16
Royal	238	212	237½	5.90
Toronto	195½	169	191	6.28
Union	109	97	103½	7.72

Outside the bank stocks, however, the investment situation is bound to be of importance to the exchanges. Stocks in the investment class are closely held and by no means give an extraordinary yield, with the result that as the market tightens considerable attention is bound to seep through to other issues. Brokers are optimistic. With this situation and the prediction of better business in the U. S. and Canada, after the presidential election, they are hopeful that the long looked for return of the general public to the market, is about to become a reality.

Some of the brokers make the point that the U. S. elections should not be regarded as an all important factor. They believe that in a good measure the result has been discounted. Two important U. S. brokerage houses, Hayden and Stone, and J. S. Bache & Co., seem to lean to this opinion. They say:

Hayden and Stone: After it is over, if settled on a satisfactory basis, we expect some forward movement in business but we frankly think this expectation has been already largely capitalized in the present level of prices.

Bache Review: The stock market is proceeding apparently without attention to election results, acting independently of politics. This would seem to indicate that the results had been discounted, or nearly so.

The following table shows the trend of the market for the past week:

	Gains	Loss	Unchg.	Total
Banks	9	2	—	11
Paper	1	8	3	12
Steel	10	3	4	17
Milling	3	4	5	12
Utilities	8	5	3	16
Transportation	7	5	3	15
Textiles	5	5	1	11
Industrial	9	14	18	41
	52	46	37	135

T. R. Enderby Will Succeed J. W. Norcross

From Our Own Correspondent.

MONTREAL.—Retirement of J. W. Norcross from the post of managing director of Canada Steamships marks his more active entry into the exploitation of the new refrigerating system in which he has become interested.

T. R. Enderby, operating manager of the company, takes over the duties of Mr. Norcross.

In resigning his office as managing director, Mr. Norcross will terminate a period of about ten years spent in the active operating directorship of the company, he having come in as managing director when the Canadian Interlake Lines, of which he was managing director, came into the Canada Steamship Lines' merger. A little later he became vice-president, and, in 1918, succeeded the late James Carruthers as president of the company.

In 1922, with the new financing which brought W. H. Coverdale into the company as president, Mr. Norcross became vice-president and managing director.

Over $46,000,000 in November Interest

In addition to the distribution of $107,000,000 by the Dominion Government on Victory Bonds due November, it is estimated by THE FINANCIAL POST that bond interest and dividends to be paid during the month, will amount to $46,200,000. The total is somewhat smaller than for the same month last year on account of the Victory issue of 1923, being refunded with an issue payable in October. However, as will be seen by the following summary the total for eleven months shows an increase for 1924 of nearly $13,500,000.

	1924	1923
January	$ 31,092,114	$ 28,890,162
February	12,545,576	11,324,060
March	25,480,553	26,780,891
April	27,853,288	26,278,451
May	45,913,693	47,871,280
June	33,828,046	33,838,312
July	33,897,076	30,924,006
August	14,006,054	11,172,319
September	28,345,644	26,681,062
October	33,696,955	25,434,837
November	46,205,868	50,334,791
	$332,864,867	$319,530,171

The Consolidated Mining & Smelting Co. reports ore receipts at Trail Smelter for the period Oct. 15 to Oct. 21, amounting to 9,104 tons, and for the year to date 376,847 tons.

GOODYEAR'S POSITION SHOWS NEW STRENGTH

Profits Not as Large as Year Ago But Working Position is More Sound

Goodyear Tire's gross profits for the year ending Sept. 30, totalled $1,275,378 as compared with $1,522,361, with income tax provided for, but not depreciation, which amounts to $437,643. Net stands at $837,734 compared with $1,032,384. After taking care of dividend requirements, there remained $236,996 to add to surplus account. Surplus now stands at $1,757,196, as against $1,520,199 a year ago.

Despite the fact that profits are lower as compared with the previous year, the heads of the company are perfectly satisfied with the showing made. It is generally conceded that the company is in a much stronger position now than a year ago. In 1923 the dividend arrears on the prior preference shares were taken care of, and a quarter paid on the 7 per cent., while this year another 1¾ per cent. was paid on the arrears, leaving $393,750 to be paid. A striking feature is the strong working position of the company, liquid assets standing at $4,875,661, an increase of over a half million, while current liabilities stand at $776,116, or $185,000 lower. Quick assets are up from $5,273,689 to $5,651,776. With inventories at $2,539,920, Vice-Pres. C. H. Carlisle says every effort has been made to reduce them and they are $950,000 less than a year ago.

Profit and Loss—

	1923	1924
Profits	$1,522,360	$1,275,377
Depreciation .. .	490,026	437,643
Net profits	$1,032,334	$ 837,734
Bal. forward . ..	1,362,912	1,520,200
	$2,395,246	$2,357,934
Dividends	875,046	600,738
	$1,520,200	$1,757,196

CANADIAN WESTERN LUMBER

Sales of lumber in August, reported by the Canadian Western Lumber Company, amounted to 10,482,000, feet as compared with 14,738,219 feet for the corresponding month in 1923, while the price realized was $241,894 against $417,256 last year. The aggregate lumber sold for the eight months ending August 31, at 78,521,140 feet, realized $1,990,167, which compares with 86,369,442 feet sold during the same period last year and the price realized $2,450,431.

BRITISH CANADIAN TRUST

The revenue from investments of the British Canadian Trust, Ltd., for year ending Aug. 31, showed an increase of £835 and there was a special credit on exchange of about £3,000 for remittances of principal and interest, making total revenue of £40,795, an increase of £3,775. After increasing the ordinary dividend from 7 to 8 per cent. and adding £3,000 to reserve, and £3,000 to contingent fund, there was an increased balance carried forward of £7,149 which is more than the whole of the accrued interest on mortgages takes credit for.

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STEAMSHIPS' TORONTO PROPERTY VALUABLE

Toronto Harbor Commissioners Will Have to Take it Over for Harbor Work

From Our Own Correspondent.

MONTREAL.—The progress of waterfront reconstruction in Toronto is a matter of interest to shareholders in Canada Steamships Lines, as their valuable property at the foot of Yonge Street is certain to be taken over by the Toronto Harbor Commissioners before long. It is understood that the harbor board has not yet made any move to expropriate this property, although the filling-in work has advanced close to the company's wharves, and work on the viaduct is likely to get under way shortly.

Just how the company will be affected is a matter concerning which there is considerable doubt. If it gets a fair price for its property, and is permitted to lease new docks and warehouses at a reasonable annual rental, the arrangement would be satisfactory. It would put a large amount of cash in the company's treasury, which could be expended for boats, or other permanent assets. On the other hand, the company would be assuming an annual rental burden, which may be lower or higher than the interest on the money now invested in the Toronto property.

It is stated that the property, which is, perhaps, the most valuable dock site in Toronto harbor, is carried in the company's books at a figure that does not represent its real value of anything up to $2,000,000, or $2,500,000.

BOTH RAILWAYS CUTTING EXPENSES

September Net Earnings Increased as Result—Position for First Nine Months

From Our Own Correspondent.

MONTREAL.—By strict economy both the C.P.R. and the C.N.R. were able to show increases in net operating revenues in September.

With three-quarters of the year in the background the C.N.R. is slightly behind 1923 and is hardly likely to make a better showing than last year. Sir Henry Thornton blames business conditions for the lines' inability to earn the $30,000,000 net operating profit confidently expected earlier in the year.

Canadian National Railways' September and nine months' earnings compare as follows:

Sept.	1924	1923	Inc.
Gross	$19,311,459	$21,645,856	*$2,334,397
Op. Exp.	17,164,000	19,796,398	* 2,632,396
Net	2,147,457	1,949,458	297,999
From Jan. 1—			
Gross	$172,484,625	$180,137,568	*$7,652,943
Op. Exp.	166,408,805	173,207,873	* 6,799,068
Net	6,075,920	6,929,696	* 853,875

*Decrease.

C.P.R. earnings to September 30 provide a reserve of about $1,200,000 to offset possible declines in net earnings later in the year.

September—	1924	1923	Dec.
	$	$	$
Gross earn.	15,493,983	17,745,908	2,251,925
Wk. exp.	10,946,338	13,247,937	2,301,599
Net profits	4,547,645	4,497,971	*49,674
Nine months	1924	1923	Dec.
Gross earn.	129,358,698	130,686,362	1,327,663
Wk. exp.	108,912,816	111,434,938	2,522,121
Net profits	20,445,882	19,251,424	*1,194,458

*Increase.

Public Utility Earnings

CAN. WESTERN NATURAL GAS

	1923	1924	Change
January	$107,765	$148,965+	$41,200
February	117,231	104,266—	12,945
March	98,818	96,065—	2,753
April	83,070	93,811+	10,741
May	53,331	56,197+	2,866
June	38,097	46,428+	8,331
July	28,748	34,296+	5,548
August	31,202	33,614+	2,412

Winnipeg Electric

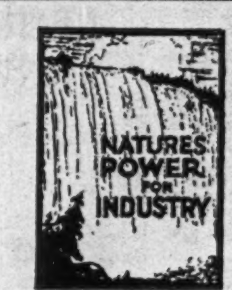
August—	$ 1923	$ 1924	$ Change
Gross. Earn.	386,757	393,408+	6,651
Expenses	279,819	282,551+	2,732
Net earnings	106,938	110,857+	3,919
Agg. Gross from 1st Jan. to end of Aug. ..	3,515,600	3,500,247—	15,353
Aggr. Net from 1st Jan. to end of Aug. .	1,043,964	993,017—	50,947

B. C. Electric Railway

August —	$ 1923	$ 1924	$ Inc.
Gross Earn.	855,551	895,202	39,651
Exp. Main., &c......	627,050	663,471	36,421
Net income	228,501	231,731	3,230
Agg. Gross from July 1st to 31st Aug., 1924	1,707,394	1,799,151	91,757
Agg. Net from July 1st to 31st Aug., 1924..	480,996	488,195	7,199

SOUTHERN CANADA POWER

	Sept., 1924	1923	Increase
Gross earn...	$101,935	$81,275	$20,660
Oper. exp. ..	40,889	36,352	4,537
Net earn. ...	$ 61,046	$44,922	$16,123



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364

Molson Stock Up 22 Points in Eight Days

The first indication from the stock market that there was some move on in Molsons Bank shares was had on the 21st, when the stock jumped two points to 152. A short time previous, between 15th and 17th, there had been an advance to 150 from 148, but, as the bank shares had generally strengthened, this was not extraordinary. From the 21st to the 29th the move was sharp and rapid. The high for each day follows: 22, 155; 23, 161; 25, 162⅛; 27, 166; 28, 168; 29, 174. The latter is estimated within two points of the value placed on the shares in the exchange. Bank of Montreal shares in the period have fluctuated on a narrow margin around 248¾ to 250.

ANNUAL REPORT

of the Directors of

The Goodyear Tire & Rubber Company

OF CANADA, LIMITED

Toronto, October 22, 1924.

To the Shareholders:

Your Directors submit the accompanying Balance Sheet as at September 30th, 1924, certified by your Auditors, Price, Waterhouse and Company, which sets forth the results from the operations for the past fiscal year, and the financial position of the Company as of that date.

The operations for the year have resulted in a profit of $1,275,377.65, after providing for all manufacturing, selling and administrative expenses and for income taxes. As against this profit we have set aside an amount of $437,643.23 for depreciation of buildings, plant and equipment, leaving a net profit of $837,734.42 for the year. Since the final returns from our export business for the months of August and September, 1924, have not as yet been received, the profits thereon for these two months have not been included in the Balance Sheet presented herewith. Having regard to the keen competition and the narrow margin of profit, coupled with the depression in trade generally during the past year, our volume of sales and the net profits are regarded by the management as highly satisfactory. The rigid policy of economy followed throughout the organization has been an important factor in obtaining the results shown by the attached accounts.

From the profits earned the Company has paid the current year's dividends, amounting to $521,988.00 on the Prior Preference and Preferred Shares; in addition there has been paid an amount of $78,750.00 on account of the arrears of dividends on the Preferred Stock. The total dividends paid during the year amounted to $600,738.00.

The most striking feature of the Balance Sheet is that notwithstanding the payment of the dividends referred to, the Company's cash balances at the end of the year amounted to no less than $1,733,000.00. It will also be noted that the total current liabilities at 30th September, 1924, including dividends of $209,247.00 paid on first of October, amounted to only $776,115.57. The Company has borrowed no money during the past fiscal year and has no indebtedness other than current bills. At the time of our last annual meeting our strong position as to working capital was commented on, and it is interesting to note that our position in this respect has improved during the year to the extent of $543,000.00, after making all necessary capital expenditures and paying the dividends already mentioned.

The inventories have been carefully reviewed and every effort has been made to reduce the stocks carried to a minimum, with the result that our investment in inventories at the date of the attached Balance Sheet, is approximately $950,000.00 less than at the end of our last fiscal year.

As in former years, adequate reserves are carried against doubtful accounts and for depreciation in your Company's Plants.

Summarising your Company's financial position, we would point out that at September 30th, 1924, the current assets amounted to $5,651,775.65 against current liabilities of $776,115.57, making the net working capital $4,875,660.08; the total investment in fixed assets consisting of Real Estate, Buildings and Plant was $7,414,776.90, against which a reserve of $1,914,430.79 is carried for depreciation and an additional reserve of $175,311.87 is available for contingencies.

Respectfully yours,

C. H. CARLISLE,
Vice-President and General Manager.

Balance Sheet as at September 30th, 1924

ASSETS

Real Estate, Buildings, Plant, Machinery & Equipment.........			$7,414,776.90
Current and Working Assets:			
Inventories:			
Stocks on hand—			
Raw Materials and Supplies . . .	$934,305.06		
Goods in process	304,083.85		
Finished Goods	1,301,531.42		
		$2,539,920.33	
Accounts Receivable:			
Customers .. ...$	1,277,108.16		
Miscellaneous . .	156,042.23		
	$1,433,150.39		
Less—Reserve for Bad and Doubtful Accounts	54,908.24		
		1,378,242.15	
Cash:			
Call Loans (Secured by Bonds) .. ..$	400,000.00		
Govt. Bonds at Cost	155,875.00		
In Banks	1,083,702.46		
On Hand and in transit from Branches	94,035.72		
		1,733,613.17	
			5,651,775.65
DEFERRED CHARGES TO OPERATIONS:			
Insurance, Taxes and Rent paid in advance			39,501.61
			$13,106,054.16

LIABILITIES

CAPITAL STOCK:			
Six per cent. Cumulative Prior Preference Stock:			
Authorized— 45,000 shares of $100.00 ea...	$4,500,000.00		
Issued—34,498 shares of $100.00 ea.			$3,449,800.00
7% Cumulative Preferred Stock:			
Authorized— 150,000 shares of $100.00 ea.	$15,000,000.00		
Issued—45,000 shares of $100.00 each			4,500,000.00
Common Stock:			
Authorized— 150,000 shares of $10.00 ea.	1,500,000.00		
Issued—53,320 shares of $10.00 ea.			533,200.00
TOTAL CAPITAL			$8,483,000.00
CURRENT LIABILITIES:			
Accounts Payable ....$	263,146.45		
Miscellaneous	303,722.12		
Dividends on Prior Pref. & Preferred Stocks, payable Oct. 1st, 1924...	209,247.00		
			776,115.57
RESERVES:			
For Deprec. of Build'gs, Plant, Mach'y., and Equipment	$1,914,430.79		
For Contingencies	175,311.87		
			2,089,742.66
SURPLUS:			
Balance at Oct. 1st, 1923		$1,520,199.51	
Add—Profit for the year ending Sept. 30, 1924, before providing for depreciation but after deducting Inc. Tax.	$1,275,377.65		
Less— Res. for Deprec'n	437,643.23		
Net Profits		837,734.42	
		2,357,933.93	
Deduct—Divids. on Prior Pref. and Pref. Stocks:			
On acct. of arrears	78,750.00		
Curr. year's divids.	521,988.00	600,738.00	
			1,757,195.93
			$13,106,054.16

Note:—Dividends on the 7% Pref. Stock are in arrears to the amount of $393,750.00.

October 24th, 1924.

TO THE SHAREHOLDERS OF THE GOODYEAR TIRE AND RUBBER COMPANY OF CANADA, LTD.,

We have examined the books and accounts of The Goodyear Tire and Rubber Company of Canada, Limited for the year ending 30th September, 1924.

We have satisfied ourselves that all charges to Property Accounts are in respect of actual additions, and sufficient provision has been made for accruing depreciation. The stocks on hand have been taken and valued by the Company on the basis of cost prices which are not above market, the bad debt reserve is considered sufficient to provide for all doubtful accounts; the call loans, securities and the bank balances were confirmed by certificates, and we have taken all reasonable precautions to satisfy ourselves that all liabilities as at 30th September, 1924, are included in the Balance Sheet.

And we certify that the annexed Balance Sheet is drawn up so as to show the true financial position of the Company as of that date and the results from the operations for the year ending 30th September, 1924, according to the best of our information and the explanations given to us and as shown by the books of the Company.

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J. A. WRIGHT, Sec'y. and Provincial Manager.

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THE ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727

Capital (fully paid)	$2,500,000
Rest and Undivided Profits	$2,225,961
Deposits (Oct., 1923)	$37,880,518

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General Manager—A. K. WRIGHT, C.B.E., D.L.
Secretary—J. B. ADSHEAD.

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Utilities

MONTREAL "TRAMS" TO REVOLUTIONIZE MUCH OF SERVICE

Only Hint of Plans is Given in Annual Report—Earnings Are Larger

From Our Own Correspondent.

MONTREAL.—A feature of the annual report of Montreal Tramways is the statement of the directors that "The company and the Montreal Tramways Commission are giving consideration to the urgent need for the proper development of transportation facilities, power supply and distribution to meet the requirements of the rapidly growing population. A general survey of conditions is being made with the object of determining the proper location of additional trackage in the down-town sections, and the best methods of providing more ample facilities."

It is learned that the plans under consideration are far-reaching in scope and provide for the expenditure of large sums on new transfer stations, tunnelling, "areading," etc., that will have the effect of revolutionizing the entire tramway service of down-town Montreal.

The company's revenue showed some increase in the twelve months to June 30, and stood at $2,449,174, as against $2,430,225 in the previous year. After deducting interest charges the sums available for dividends totalled $563,553 as against dividend requirements of $400,000, or 10 per cent. on the $4,000,000 of stock outstanding. Earnings figure out at 14.08 per cent. on the stock as against 13.12 per cent. a year ago.

The president, Julian C. Smith, signs the report for the first time. He states: "The company has expended during the year on new construction $1,145,505, and has written off capital account for the value of property discarded $377,466, making a net addition to capital value of $768,-038."

Income account figures for the past three years compare as follows:—

	1923-24	1922-23	1921-22
Allowances from contract	$2,358,448	$2,392,986	$2,377,418
Op. profit	48,554	....	....
Other revenue	42,172	37,239	64,061
Total rev.	$2,449,174	$2,430,225	$2,441,479
Deduct:			
Int. on bonds and loans	994,139	990,856	1,043,100
Deb. St. Int.	882,500	874,353	867,500
Other exp.	8,982	16,963	16,875
Net income	$ 563,553	$ 548,033	$ 524,004
Dividends	400,000	399,947	397,432
Year's sur.	$ 163,553	$ 148,086	$ 126,572
Prev. sur.	592,979	844,893	916,709
Total	$ 756,533	$ 992,979	$1,043,281
Discarded prop.	87,780	....	....
To gen. res.	....	400,000	....
Def. divids.	....	....	198,388
P. & L. surp.	$ 668,753	$ 592,979	$ 844,893

Nova Scotia Trams Business is Steady

From Our Own Correspondent.

MONTREAL.—Some improvement is being noticed by Nova Scotia Tramways Company. Stone and Webster, who manage the property, report that light and power business shows an increase of five per cent. to date; that gas send-out remains about the same, while railway receipts show a slight improvement. General business throughout the city remains fair.

Ottawa "Power" Net Earnings Are Higher

From Our Own Correspondent.

MONTREAL.—Ottawa Light, Heat and Power Company is showing excellent earnings this year and is already well ahead on both gross and net, according to unofficial statements. The company does not publish its earnings figures monthly.

This undoubtedly means that earnings available for the common stock are ahead of last year because the recent reorganization of the company's financial structure had the effect of reducing the interest burden without adding an equivalent sum for preferred stock dividends.

D.U.R. More Than Earns Fixed Charges To Date

From Our Own Correspondent.

MONTREAL.—When he was in Montreal this week, Elliott G. Stephenson, president of Detroit United Railways, gave out a nine-months' earning statement of the company, showing a small surplus after meeting fixed charges.

Mr. Stephenson said:

Notwithstanding the shrinkage in earnings for the nine months of the present year, January 1st to October 1st, the actual results show as follows:

Gross income	$7,024,830.59
Expenses	5,603,578.35
Leaving balance of	$1,421,252.24
Taxes, fixed chgs., int., etc.	1,183,238.58
Surplus after paying operating expenses	$ 238,013.66

The president also stated that bus competition will, on November 10, under arrangements completed, be coordinated with the railway service, and the waste and loss resulting from this factor will be eliminated. The company is only about a month away from the time fixed for meeting sinking fund requirement under the bond issue sold last July. The amount required to be paid for this purpose is $750,000. The payment will be made on the date fixed, December 1.

Chester M. Elliott, manager of Alberta Wheat Pool since its inception last year, died suddenly at Vancouver of heart trouble. He was thirty-four years of age.

Some Move Contemplated for Shares of Smelters

Talk that there may be a stock split of Consolidated Smelters is doubtless playing a part in the renewed activity in the issue. Heavy transactions have been recorded at Montreal this week, one deal alone involving $3,900. This is said to finally end an old pool. At current prices the yield is 3 per cent. Montreal reports would serve to support the rumor that there is something on foot for the stock. A report says:

"It can be deduced that there is something ahead for Smelters' shareholders to account for the persistent buying at greatly enhanced prices by well-posted followers of this security. The stock is selling on a considerably higher basis than when dividends were being paid at the rate of 10 per cent. in 1916 and 1920."

SHARP RISE IN EMPLOYMENT AND IN FOREIGN TRADE

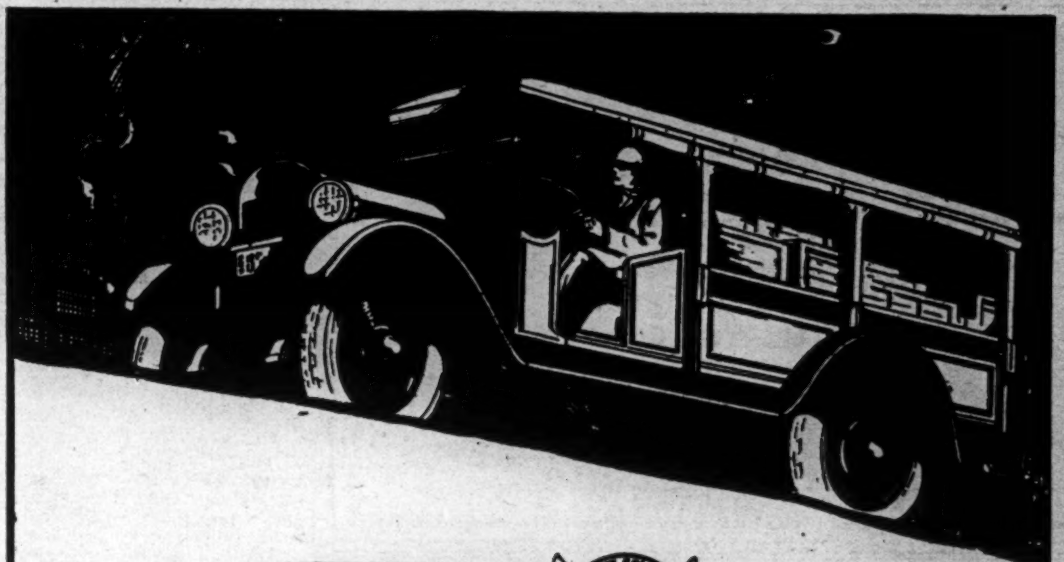
(Continued from page 1)

our foreign trade. During the year just ended the favorable balance of the Dominion almost reached $250,-000,000, which is in excess of that of the preceding year by more than $150,000,000. This was made possible by a striking curtailment in our imports, both from the United States and from Great Britain, and an increase in our exports to both countries. While it is true that grain and grain products were largely responsible for the increase in exports, other domestic products and raw materials such as pulp and paper products also figured in a substantial way. It is rather evident that we are not suffering very materially either from the tariff wall of the United States, or from the keen competition of the European countries.

Steady Improvement Continues

In the wholesale and retail trades the weather has been somewhat of a drawback. At present, the unusually mild weather which exists in many parts of the country, has retarded buying, especially in the dry goods and textile lines, particularly in low priced products. The same factor, it is claimed, has kept the farmers well occupied on the land, in the rural sections, and buying trips to town have been lessened accordingly. In the cities retail business is normal for this time of year. Hardware jobbers report a measurable improvement in sales of general hardware, and they feel that fall business, although somewhat delayed, will yet come in, in satisfactory volume. The foreign market for Canadian metal and hardware products has expanded materially of late. It is stated that the cancellation of the Crow's Nest Pass agreement is necessitating a price adjustment in such products as binder twine, iron goods and wire, in the West. One line of goods which has made extremely rapid progress in spite of depression is the production and distribution of radio equipment. Evidently the present productive capacity in Canada and the United States is unable to meet the demand for these products. It is estimated that the total turnover of this business in the two countries during 1924 will be in the neighborhood of $600,-000,000.

In addition to the returns from the government issue, funds available for investment during the coming month will include $46,205,868, which comprises the indicated dividend payments and bond interest for November.



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Railway Earnings

Canadian Pacific Railway

Week-end.	1924	1923	Change
Oct. 21	$4,395,000	$5,261,000	—$866,000

Canadian National Railways

Week-end.	1924	1923	Change
Oct. 21	$5,141,398	$5,902,418	—$ 761,020
Jan. 1 to Oct. 21	187,647,233	197,469,104	—9,821,871

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING OCTOBER 28

	Div. Rate	Yield Oct. 27	High For wk.	Low For wk.	Close Oct. 28	Close Oct. 21	Sales For wk.	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	5.85	205½	195	200	195	427	205½	178
Dominion	12+1	6.83	190	187	190	187½	98	190	176½
Hochelaga	10	6.84	146	145½	146	144½	14	154½	143
Imperial	12+1	7.13	183	182	183	182	87	187	169
Molsons	12	7.22	168	155	168	152	132	168	146½
Montreal	12	4.80	250	247½	249½	247½	371	250	230
Nova Scotia	16	6.16	259½	258	259½	258½	151	260	248
Royal	12	5.06	238	235	237	236½	282	238	211
Standard	12	7.16	169	167	167½	169½	169	173	156½
Toronto	12	6.28	191½	191	191	194	28	195½	169
Union	8	7.72	103½	102	103½	102	153	109½	97
Paper—									
Abitibi, com.	4.00	7.40	55	53	54	55	1765	69	53
Do. pref.	7	6.98	..	..	..	..	..	103½	98½
Brompton Pulp	..	....	29	26½	27¼	28¼	400	43	26½
Laurentide	6	7.50	82	79¼	80	82	1155	98½	79¼
Price Bros.	2	5.63	36	35	36	35½	1405	45	35
Prov. Paper, com.	6	7.05	85	85	85	83	38	100	82
Do. pref.	7	7.50	..	..	..	..	..	97½	90
Smith, Howard, com.	..	....	27½	27½	27½	27½	165	75	25
Do. pref.	8	9.19	..	..	..	..	..	100	86
Spanish River, com.	7	7.07	102	98	99¾	102	3549	114½	96
Do. pref.	7	6.36	112	109½	110	112	750	120½	106½
St. Maurice Paper	6	7.29	82½	82½	82½	83	275	113½	82½
Wayagamack	..	....	36	36	36	36½	110	46	32
Steel and Steel Industries—									
B.E. Steel, com.	..	....	2¼	2¼	2¼	2¾	16	6	2
Do. 1st pref.	..	....	31¼	30¼	29	28¼	79	57½	27¼
Do. 2nd pref.	..	....	8½	8½	8	8½	877	17	7
Can. Car & Foundry, com	..	....	46½	46	46½	47	160	50	36½
Do. pref.	7+1½	9.14	87½	86½	87	87	585	97	83½
Can. Foundries, com.	..	....	..	..	..	..	..	31	19½
Do. pref.	..	....	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.06	..	..	..	..	..	67	65
Do. pref.	7	8.09	87	86½	86½	86½	45	92½	85
Dominion Coal	..	....	53	53	53	53	21	81	40
Dominion Iron, pref.	..	....	..	..	..	..	..	57	29
Dominion Radiator	7	6.82	102½	102½	102½	102	10	102½	94
Dominion Bridge	4	5.47	73	72½	73	72	171	80	60
Dom. Steel Corp., pref.	..	....	53	39¼	55	39	60	73	33
N.S. Steel, pref.	..	....	62	62	62	34	5	68	34
Ontario Steel, com.	4	9.30	43½	43	43	43½	100	45½	39
Do. pref.	7	8.11	92	92	92	90	25	93	86
Canada Iron, com.	..	....	8	8	8	8	4	8	4½
Do. pref.	..	....	30	30	30	30	9	30¼	25¼
Steel of Canada, com.	7	8.97	78½	77½	78½	76½	1477	83	69½
Do. pref.	7	6.66	105½	103	105	..	101	106½	98
Milling—									
Canada Bread, com.	4	4.49	91	88½	91	90	165	100	63
Do. pref.	7	6.93	101	100¼	101	101	191	102	95
Inter. Milling, pref.	7	7.17	98	97	97½	98	45	98	83½
Lake of Woods, com.	12	6.48	..	..	..	..	..	188	167
Do. pref.	7	5.78	121	121	121	120	5	121	115½
Maple Leaf, com.	..	....	86	85	86	90	76	90	59
Do. pref.	7	7.07	100	98½	99½	99½	93	100½	87
Ogilvie Flour, com.	12+13	7.50	330	325	325	325	54	335	304
Do. pref.	7	5.83	121	120	120	121	28	121	116
Shredded Wheat, com.	8+2	7.24	138	138	138	137¼	5	139	135
St. Law. Flour, com.	6	9.16	65½	65½	65½	68	15	75	66½
Do. pref.	7	7.48	..	..	..	..	..	95	89
West. Can. Flour	8	7.58	105½	105½	105½	105½	112	106½	98
Utilities—									
Bell Telephone	8	5.81	137¼	136½	137½	137	299	138½	125
Consumers Gas	10	5.88	170	169	170	169½	99	170	159
Dom. Telegraph	6	6.52	..	..	..	..	..	46	43
Kaministiquia	8	7.65	104½	104½	104½	108½	15	113½	96
Mackay, com.	7	6.03	116½	116	116	116	224	120½	102½
Do. pref.	4	5.99	67½	66½	66½	67¾	651	71½	60
Mexican Light, com.	..	....	24	24	24	25	5	25	17½
Do. pref.	..	....	59½	59	59½	58¼	26	59½	38
Montreal L.H.& Pr. Cons.	7	3.78	186½	184½	184½	184	3015	187½	140¼
Montreal Telegraph	8	6.03	53	52½	53	52½	24	53	48
Ottawa L. H. & Pr.	6	6.52	92	91	91	91	36	100	82
Quebec Power, com.	..	....	93	88	93	88½	634	95½	64
Do. pref.	7	6.66	105	105	105	105	10	105½	60
Shawinigan	7	5.30	132	131	132	132½	745	137½	118½
So. Can. Power	1.00	....	71	70	70	69	245	71	51½
Transportation—									
Canadian Pacific Rly.	10	6.73	149½	148½	149½	148	154	154¼	146½
Canada Steamships, com.	..	....	16	14½	15	15½	1101	16	10
Do. pref.	..	....	58	55	56	54½	10999	58	41½
Tractions—									
Barcelona	..	....	17	16½	17	14½	92	20	12½
Brazilian	4	8.00	51	49½	50½	50¼	7076	53¼	41½
Detroit Un. Rly.	..	....	27	19½	22½	24½	1702	72½	25
Duluth-Superior	..	....	20½	16	20½	19	580	35	19
Illinois Traction, com.	..	....	..	..	..	..	..	103	63
Do. pref.	6	6.54	91½	92½	91½	91½	23	94	87
Montreal Trams.	10	5.68	..	..	..	..	..	179	148
Ottawa Traction	4+1	8.33	..	..	..	..	..	60	30
Porto Rico Rlys, com.	..	....	36	35½	36	36	335	36½	17
Do. pref.	7	8.23	86	85	85½	85	60	86	66
Quebec Rly.	..	....	..	..	..	..	..	23	14½
Toronto Railway	..	....	110½	103½	109½	104	13747	110½	80
Twin City, com.	4.00	9.09	45½	40	43	40½	1390	79	40
Winnipeg Elec., com.	..	....	27	27	27	28	46	36½	24
Do. pref.	7	8.53	83	80	80	83	56	87½	75
Textiles—									
Can. Conn. Cotton, pref.	8	....	..	..	..	..	..	80	51
Can. Converters	7	8.53	82½	79	79	79	49	90	70
Can. Cottons, com.	8	7.72	105½	103½	103½	104	188	111	85½
Do. pref.	6	6.81	89	88	89	90	234	91	86½
Can. Woollens, com.	..	....	4	4	4	5	10	7½	4
Do. pref.	..	....	36	36	36	35	10	41½	34
Dom. Textile, com.	4.00	6.27	64½	63	63	64	992	66	33
Do. pref.	7	6.36	110	110	110	109½	28	110	104½
Monarch Knitting, pref.	7	9.58	..	..	..	..	..	82	65
Montreal Cotton, com.	6	6.45	93	92	92	93	51	100	89½
Do. pref.	7	6.54	107	107	107	107	15	107	104
Penmans, com.	8	5.26	152	150½	152	148	291	165	134
Do. pref.	6	6.15	..	..	..	..	..	98	92
Wabasso Cotton	4.00	7.69	52	51	52	49	10	72	47
General Industrials—									
American Salesbook, com.	5	12.50	40	40	40	41	33	47	36
Do. pref.	7	7.69	..	..	..	..	..	95	84½
Asbestos, com.	..	....	..	..	..	..	..	35	19
Do. pref.	6	9.56	62½	62½	62½	62½	50	70¼	52
Atlantic Sugar, com.	..	....	..	..	..	..	..	21½	11
Do. pref.	..	....	..	..	..	..	..	51	32¼
Bird & Son, pref.	7	8.75	..	..	..	..	..	140	131
B.C. Fishing	..	....	..	..	..	..	..	20½	8
Burt, F. N., com.	10	7.32	..	..	..	..	..	140	127
Do. pref.	7	5.34	..	..	..	..	..	136	131
Canada Cement, com.	6	7.05	85	84½	84½	85½	312	93	83
Do. pref.	7	6.63	105½	105	105½	105½	38	108	102½
Cons. Rubber, pref.	7	8.75	..	..	..	..	..	90	73
Can. Gen. Electric, com.	..	....	..	..	..	..	..	58½	51½
Do. pref.	7	6.36	55	54½	55	54½	208	56½	51¼
Can. Indust. Alcohol	8	....	44¼	42	42½	54½	11600	56½	42
Canadian Salt	8	7.83	..	..	..	..	..	115½	108½
Carriage Factories, com.	..	....	..	..	..	..	..	2¼	½
Do. pref.	..	....	..	..	..	..	..	17	15
City Dairy, com.	3	5.35	56	56	56	58	10	64	40½
Do. pref.	7	6.48	108	108	108	108	10	110	104
Crows Nest Coal	6	12.76	..	..	..	..	..	51¼	46
Cuban Can. Sugar, pref.	..	....	36	36	36	36	37	54	35½
Dom. Canners, com.	..	....	39½	35	39	36¼	1021	39½	20½
Do. pref.	7	7.77	90½	89½	89½	90	90	90½	82
Dominion Glass, com.	7	5.95	118½	116	117½	117½	800	120	105
Do. pref.	7	6.54	..	..	..	..	..	107	103½
Dominion Stores, com.	1.00	....	35	34	34	35	139	36	24½
Do. pref.	8	....	95¼	93	93	95	38	97	81
Davies, Wm. (A)	..	....	26½	25	26	26½	120	26½	11½
Eastern Theatres, com.	..	....	14½	14½	14½	14½	5	14½	12
Do. pref.	..	....	73	71	73	70	10	73	67
Ford Motor	10	....	..	..	..	..	..	485	440
Goodwins, com.	..	....	..	..	..	..	..	48½	17
Do. pref.	7	10.00	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7+1½	9.19	89	87	87½	89	223	89½	71
Holt, Renfrew, pref.	7	....	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Ed. Hotel	..	....	..	..	..	..	..	21	19½
Lyall Construction	..	....	9½	9½	9½	9½	5	21	9½
Macdonald, A.	..	....	..	..	..	..	..	5	4
National Breweries, com.	4.00	7.01	58	57	57	57½	2061	58½	48½
Do. pref.	7	6.73	104	104	104	104	5	104	99
Pacific Burt, com.	6	6.34	..	..	..	..	..	101	91
Do. pref.	7	6.66	105	105	105	106	18	106	100
Port Hope Sanitary, com.	..	....	..	..	..	..	..	58	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	57	57	57	57	5	70	45
Do. pref.	7	7.82	..	..	..	..	..	100	86
Russell Motor, com.	..	....	25	25	25	25	57	25	17½
Do. pref.	7	9.33	75	70	75	65	78	75	48
Sherwin-Williams, com.	6	5.26	115	113¼	114	112	220	128½	100
Do. pref.	7	6.78	103½	103	103½	103	82	103½	98
Sterling Coal	4	8.69	..	..	..	..	..	47	40
Tooke Bros., pref.	..	....	..	..	..	..	..	40	38
Tuckett Tobacco, com.	4	6.66	60	59	59	60	40	64½	57
Do. pref.	7	7.17	97½	97	97½	96	55	97½	92½
Woods Manufacturing, com.	..	....	..	..	..	..	..	35	25
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10+1	7.72	84¼	84¼	84¼	85½	5	86	78
Can. Permanent	12	6.24	189	189	188	189¾	18	190	179
Colonial Invest.	6	....	..	..	..	..	..	7	4
Hamilton Prov.	10	6.84	..	..	..	..	..	146	141
Huron & Erie	7+½	6.00	125½	125	125	121	7	125½	120
Landed Banking	9	6.52	..	..	..	..	..	148	138
Montreal Loan	12+1	7.02	..	..	..	..	..	46½	46½
National Trust	12	5.45	..	..	..	..	..	225	210
Ontario Loan	..	....	..	..	..	..	..	91½	91½
Real Estate Loan	7	7.86	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.66	212	212	212	212	2	212	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85½	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

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tells you exactly how much
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INDUSTRIAL ALCOHOL

Canadian Industrial Alcohol, one of the most active issues for many months past on the Montreal board, will be listed shortly on the Toronto Stock Exchange; listing papers are about to go forward.

Traders in Toronto have been attracted by the steady rise of Alcohol, and it has become a favorite there as it is in Montreal, and as a result Toronto brokers desire the issue to be listed on their board.

In discussing the result of the Ontario vote with interests close to the company this morning, it was learned that the voters' decision will not affect in any way the present expansion plans of the company as the situation remains just as it was prior to the vote being taken.

SHAWINIGAN POWER

The North Shore Power Co., a subsidiary of the Shawinigan Water and Power Co., which operates in a district east of Three Rivers, has purchased the municipal power plant formerly operated by the municipality of St. Raymond, Portneuf County.

Pulp and Paper

FUTURE OF PAPER AND PULP INDUSTRY IN NOVA SCOTIA

Some Conclusions Drawn From Report of Pulpwood Commission

From Our Own Correspondent.

MONTREAL.—The province of Nova Scotia has never succeeded in developing a paper manufacturing industry. Nor has any success followed efforts to establish plants for the manufacture of chemical pulp. At the present time all the pulpwood that is cut in Nova Scotia either is manufactured into groundwood pulp, chiefly for export, or exported to the United States.

There is almost as much pulpwood exported from Nova Scotia as is used in the mills in that province. For instance, in 1922, 35,000 cords of pulpwood were exported and about 46,000 tons used in the pulp mills of the province.

The Royal Commission on Pulpwood, in its tour last year, looked into the question of the possible development of the pulp paper industry in Nova Scotia. The commission came to the conclusion that the rather elementary and erratic development of the industry in Nova Scotia could not be attributed, as is popularly assumed, to the lack of sufficient water powers. It was found that Nova Scotia, while it did not have the abundant water powers to be found elsewhere in Canada, nevertheless had a considerable number of undeveloped sites which could be put to use if conditions in other respects warranted the developments for pulp manufacture.

Big Blocks of Timber Scarce

It was found that one of the underlying reasons for Nova Scotia's backwardness in pulp and paper production was the difficulty of securing, in sufficient consolidated areas, adequate reserves of timber to justify the installation of large mills. Practically all of the timberlands in Nova Scotia have been alienated from the Crown, and are in private hands. Those areas that are not in private hands are leased by the crown to individuals who have permission to export pulpwood without doing more than peel it. But to establish a profitable pulp and paper mill in Nova Scotia, investors would have to acquire, by purchase timberlands to back the mill, and it is really doubtful if they could obtain a sufficient area of timberlands at reasonable prices to justify developments.

Nevertheless, the commission did come to the conclusion that the timberlands in the province of Nova Scotia are most assuredly capable of development to a position where they might support, in a stable manner, a pulp industry of more substantial proportions than exists at the present time. Reference was made in their report, recently published, to the fact that Nova Scotia is favorably situated from a shipping standpoint; that it is in close proximity to foreign markets without the necessity of rail haul. It has a large percentage of potential forest land at its disposal.

Forest Protection Essential

It was emphasized as an essential preliminary of the proper development of Nova Scotia's forests that more attention be paid to protection. Fire, insects and decay, added to consumption, have effected constant depletion in the forests of the province, because there is no control of new annual growth to be added to the right side of the forest ledger. It is not the extent or consumption of the present pulp industry that contributes essentially to the depletion that has taken place and is still taking place. With the area available for growing timber, Nova Scotia should be able to support this and other forms of industry. The net depletion of the forests of Nova Scotia has resulted from losses following upon failure to adequately protect and handle the forests on a basis which would take full advantage of the growth that is possible in the province.

Are New Mills Feasible?

Some American pulp and paper mill operators, who own timberlands in Nova Scotia, declare that Nova Scotia will not support a further development of the pulp and paper industry. For instance, there is the Oxford Paper Company, which is owned by the same interests who have constructed Nashwaak Pulp & Paper Mills at St. John, N. B. The Oxford Paper Company owns a lease in Cape Breton, N. S., covering approximately 1,015 square miles. They have permission to export pulpwood from this lease. They started operations in 1917 and employ aproximately 750 men and export about 40,000 cords a year of pulpwood.

Evidence was given before the commission on pulpwood to the effect that the Oxford Paper Company had its Cape Breton property examined by the well-known consulting engineer, Hardy S. Ferguson, for the purpose of seeing whether or not a mill could be constructed at Cape Breton, either for sulphite or sulphate pulp. The report made by Mr. Ferguson indicated that the capital investment required and the cost of manufacture, considering the difficulties which would be encountered, would be prohibitive. Such a plant would require facilities for storing pulp for six months of the year, which would have to be unbleached pulp, as bleached sulphite would not keep that long. It would also require a storage capacity for four months' supplies of raw materials other than wood. The total cost of pulp, including interest on the working capital required and on the capital investment of the plant, was estimated at $72.20 per ton on board the steamer at Portland, Maine. The Oxford Paper Company, as is pointed out, would have no difficulty in purchasing unbleached sulphite pulp of the best grade for book paper from Scandinavian countries alongside wharves at Atlantic port, for from $50 to $55 per ton. Thus the cost of the pulp manufactured in Nova Scotia would be $22 to $27 per ton higher.

How About Newsprint Mill?

This contention of the owners of the Oxford Paper Company seems convincing as far as it goes. However, no evidence was given of the ability of a newsprint mill on this property to compete with the other mills nor was any evidence given of the possibility of further pulp expansion in the southern part of Nova Scotia.

The fact that there do exist certain blocks of land large enough to carry large pulp or paper mills is indicated by the fact that Frank J. D. Barnjum's recent offer of his assets in Nova Scotia indicated that he had for sale some 350,000 to 400,000 acres of timberland owned in fee, as well as water powers of a total of 30,000 h.p. All of these assets are tributary to tide-water and rail, with open harbor the year round.

In conclusion, it may be pointed out that Nova Scotia is one of the leading producers of pulpwood. A very high proportion of this pulpwood is exported without being manufactured into pulp. None of the pulpwood grown in Nova Scotia is manufactured into paper in the province. Nova Scotia is hardly likely to develop a larger pulp or paper industry under present conditions. An embargo on pulpwood, free entry for all grades of paper into the United States, a better forestry program for the province, are factors that would tend to enhance the importance of the industry there.

MANITOBA PULP CO. TO SPEND $2,000,000

Tenders Have Been Called for Sale of an Important Timber Berth

From Our Own Correspondent.

WINNIPEG.—Progress towards the establishment of a pulp and paper industry at St. Boniface, is indicated by the call for tenders by the Dominion Government for 3,000,000 cords of pulp wood in timber berth No. 2 in Manitoba. This is the timber desired by J. D. McArthur and his associates for the plant which they propose to erect. It is assumed that they will be the successful purchasers. Timber berth No. 2, covers an area estimated at 40,000 square miles. Its eastern boundary is formed by the province of Ontario, and at its widest the limit stretches clear across the province of Manitoba to the border of Saskatchewan. Its northern boundary runs well to the north of Lake Winnipeg. The purchasers of the limit are to haye a period of five years in which to select the portion of this territory in which they will cut the allotted three million cords. Dues of 80 cents a cord are to be payable on the spruce pulp wood cut, and of 40 cents a cord on other wood, and the purchaser is required to state what sum per cord in addition he is prepared to pay on the spruce pulp wood.

It is a condition of the sale that the purchaser shall agree to erect a pulp and paper mill within the limits of the berth or at some other approved place, at a cost, including machinery of not less than $2,000,000; that it shall be operated to produce 100 tons of pulp and that not more than 50 per cent. of the pulp manufactured shall be exported except as paper. Export of that amount may be forbidden if in the judgment of the minister it is required for the local markets in the prairie provinces. One hundred and twenty men are required to be employed during ten months of the year. Work on the plant is to be begun within three months and completed within two years. Two hundred thousand dollars are to be spent within three months, and cutting is not to commence until one million dollars has been spent.

Finances Arranged

It is understood that Mr. McArthur and his associates have already arranged for the capital required for the venture. Just a few weeks ago a party including a number of American capitalists made a trip to the upper end of Lake Winnipeg for purpose of inspection. By locating at St. Boniface the promoters will not be put to any expense in providing housing and other accommodation for their workers. They can get cheap electric power and it is understood that they have already arranged to deal with the Winnipeg Electric. The Red River gives them access to Lake Winnipeg and its tributary streams and presumably water transportation will be employed for the most part to bring the pulpwood to the mill.

BARNJUM'S GOOD WORK

(Pulp and Paper Magazine)

The name of Frank J. D. Barnjum has become synonymous with forest conservation in Canada. His herculanean efforts have failed to arouse the government of the Dominion to a sufficient realization of its obligations to our principal manufacturing industry to take active measures for the protection of its foundation. It would seem to be not so much a job of arousing as of resurrecting. Ottawa seems dead to the need of immediate action in regard to keeping Canadian resources for Canadian industries and the employment of Canadian workmen.

Mr. Barnjum has spent years of his time and no one knows how much of his means in studying the situation, discussing the facts, and telling the public how serious is the crisis facing the wood using industries of the Dominion. The energy that he has put into his campaign is amazing, for he is not a young man. The press of Canada, from Atlantic to Pacific has taken up the case with vigor. Seldom has a campaign for the public-good been so unanimously supported. Public opinion is undoubtedly in favor of a severe restriction, if not of actual prohibition, of the export of unmanufactured wood, and the government avowed a like conviction, even to promising to take action on that line. But the cabinet flopped and action has been smothered in the monumental farce of the appointment of a commission which has wasted months of valuable time and squandered oodles of the people's money in producing absolutely nothing that appears to have any chance of producing tangible results.

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IF you have a relative or friend in the Old Country who is thinking of coming to Canada, let us send him a copy of our booklet, "Canada, the Land of Opportunity." This is full of useful and helpful information and will help him to avoid initial mistakes and improve his prospects of success in Canada.

Send his or her name and address to your Local Branch Manager, or to the Publicity Department, Head Office, Montreal. We shall be pleased to forward a copy.

G442

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Wood Boards and Newsprint Paper
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WINNIPEG HYDRO PROTESTING DEAL FOR BACKUS DAM

Political Pressure Being Brought to Bear on Premier

From Our Own Correspondent.

WINNIPEG.—The City of Winnipeg and the province of Manitoba are worked up over the question of control of the waters of the Lake of the Woods and their flow into the Winnipeg River. The Dominion Government is proposing to make an arrangement with the Backus interests at Kenora in connection with a new Norman dam which seems highly dangerous to the power interests on the Winnipeg River. That company agrees to regulate the water in accordance with the instructions of the government, but that is not enough to satisfy the Winnipeg and Manitoba interests. They demand that the government shall, itself, perform the regulatory function direct.

The waters of the Lake of the Woods discharge into the Winnipeg River, and near the outlet are the power, pulp and paper developments of the Backus interests, which practically control the whole Lake of the Woods area. Lower down on the River are the White Dog Falls, where the power site is also controlled by the Backus interests, and still lower, at Point du Bois and at Lac du Bonnet, in the province of Manitoba are the power developments of the City of Winnipeg and the Manitoba Power Co., otherwise the Winnipeg Street Railway. The power interests there fear that dependable flow may be interfered with at times in the interest of the power works above them.

Many Complications

There are a considerable number of complications involved in the question of water levels in the Lake of the Woods. In the first place it is subject to regulation by an international joint commission. In the next place there is a question of jurisdiction between the Dominion Government which acquiries control because of the international aspect of the question, and the province of Ontario, which has control of the power sites. In the province of Manitoba the power sites are under Dominion Government jurisdiction, and the government of Manitoba enters the case not because of any direct jurisdiction, but in the interests of the people of the province.

The Norman dam is in bad physical condition at present and is not capable of storing water as it should in the high level periods of June for use in the low water level periods of November. The Dominion Government planned to build a new dam to serve the need. The Backus interests made a counter proposal that the government should subsidize them for rebuilding the Norman dam, to the extent of $800,000; that they should own the dam and regulate it under Dominion Government supervision.

Spokesmen for the Backus interests have stated that the $800,000 which they are to get from the Dominion Government under the proposed contract is only a small part of the sum they will be called on to spend in water control works, which they estimate as running to three million dollars altogether. Winnipeg interests claim on the other hand, that the Dominion Government has, in its possession, an offer from a reliable contracting company to build the control dam, to widen the stream and to build necessary coffer dams, all for $800,000. They claim, therefore, that the government is saving nothing by the arrangement it proposes to make with the Backus interests, and on the other hand, that it is needlessly imperilling the power developments on the lower Winnipeg River. Winnipeg interests refuse absolutely to regard regulation of the dam under instructions from the Dominion Government as at all equivalent to direct regulation by Government officials.

The importance of the matter to Winnipeg is shown by the statement made by Hydro officials to the effect that owing to low water levels, caused by the failure of the Norman dam to hold water this summer, only 70,000 horsepower can be developed at the horsepower provided for and capable of being developed under conditions of regulated and dependable flow. Similar conditions prevail at the plant of the Winnipeg Railway Co., only a few miles distant, at Lac du Bonnet.

The contract with the Backus interests, it is believed, is all ready to be signed by the Dominion Government, but Winnipeg and Manitoba interests believe that they are holding up the matter by their vigorous protests, and especially in view of the presence in the West of the Premier, Hon. Mr. King. A mass meeting was held the other night to denounce the government's plan, and the theatre where it was held was packed. Winnipeg regards its power developments as one of its greatest assets, and the interests of that development are watched jealously and zealously.

Winnipeg Electric Wins Dispute Over Franchise

WINNIPEG.—After weeks of controversy, Winnipeg Electric Co. has finally obtained its franchise for exclusive domestic light and power privileges in the municipality of West Kildonan. While the council agreed to this at the initial hearing, a strong agitation developed, seeking to have the whole matter submitted to the ratepayers for a decision. In return for the franchise the company has agreed to extend the McGregor Street car line as far as Brantford Avenue.

Suggest Three Proposals on Hamilton St. Railway

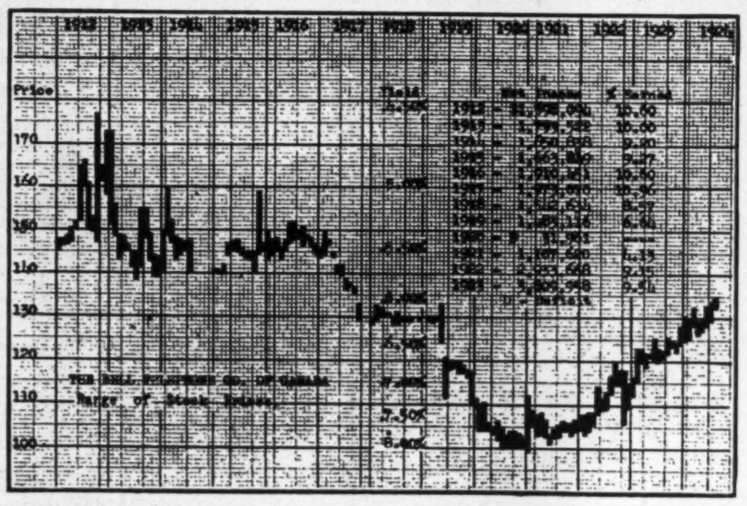
Dominion Power & Transmission Co., has not supplied Hamilton City with a statement on the valuation of the property. A committee of the council and company are discussing city purchase and franchise renewal proposals. The company state that the job of valuating is a large one and suggest that the city go ahead with an appraisal of its own. It seems that it will be impossible to have a proposal ready for the ratepayers to vote on in December and N. E. P. Coleman for the company has suggested a special vote. He would submit three proposals, a purchase plan, franchise renewal scheme and service at cost plan.

Bell Telephone Goes Up as Bond Yields Go Down

Recent Trend in the Money Market With Its Effect on Bond Rates Has Been Accompanied by Advance of Good Investment Stocks.

Accompanying the last dividend cheque sent out by the Bell Telephone Co. was a statement to the effect that 50 per cent. of the shareholders held ten shares or less. Nothing could emphasize more the investment character of this stock except the fact that the number of shareholders has tripled in five years until there are now about ten thousand, of whom one-half are women.

The growth of interest has been constant since the dark days of 1920, and has been reflected in the mounting price of the shares, as shown on



the chart. There are those who feel that the quotation is climbing to 150, and they point out that, while the stock yields less than 6 per cent. at present, the price is not so high as in 1914 and 1915, when earnings were less than last year's.

The comeback of Bell Phone common to a position as one of the leading investment stocks on the Canadian exchanges is now a matter of market history—and interesting history at that. Five years ago, Bell Telephone service was the butt of cruel criticism by subscribers, and cheap witticism by vaudeville humorists. High operating costs and limitation of earnings brought deficits in 1919 and 1920, when the company had to draw on the surplus account to meet the dividends.

A Living Income

Since 1921 new life has been injected into the company by the order of the Dominion Railway Board, fixing the tariffs at a rate sufficient to meet dividend charges. So far as the operation of the company is concerned, there has been an improvement in every respect. A vigorous policy of informing subscribers of operating difficulties, together with constant expansion and improvement, has put the company in the front rank of privately-owned public utilities.

Thousands of new telephones have been installed, modern exchanges have been opened, an aggressive publicity policy has widened the use of the company's facilities, and the future seems unusually bright. Since 1920, the net tangible assets have increased from $27,765,243 to $46,003,300 last year, an evidence of the company's desire to keep abreast of the demands.

All of these factors have intensified the confidence of the public, and the growing number of shareholders bears additional testimony to this fact. The company has played fair with the shareholders, and has protected their interests in earnings and security. Since 1896, the 8 per cent. dividend has been paid without interruption, and the decision of the Railway Commission practically assures a continuance of this return.

With these facts in mind, is there a real justification for the belief that Bell 'Phone common will move to still higher levels?

A glance at the chart shows that during the past few years the fluctuations of prices from month to month have been very narrow, with an almost steady rise since 1920. This is due to the absence of speculative elements in the stock. The probability of a steady dividend rate removes the possibility of widely varying prices, and places the stock in the category of a business investment.

While its financial position will affect the price just as industrial bonds are affected by earnings and security, the price will largely follow the concentration of investment demand. Just as bonds reached their lowest levels at the end of 1920, so did Bell common, under the pressure of high operating ratios and large investment yields on government bonds, sink for a time under par.

Reflects Bond Prices

The price has paralleled more or less the rise of bond quotations, and its price in the future is likely to be influenced by the yields of competing investment offerings. Just now, with interest rates on domestic government bonds below five per cent., persons depending upon investments for their income are, in many cases, being forced to industrial bonds and stocks, such as Bell 'Phone common, for a higher return. If, as a consequence of an accentuated demand for funds during the anticipated business revival, interest rates on government bonds should rise, the competition of these yields might reduce the price of the stock. Moreover, the necessity for refinancing $16,500,000 Bell Telephone bonds, maturing early in 1925, together with considerable outlays for improvements, may, for a time, affect the price of the stock.

However, these are remote possibilities, which will be discounted, and the investor has no cause for worry. The productiveness of any expenditures will eventually result in the increased earning power and equity of the shares which will undoubtedly compensate for any depressing influence of higher bond yields. Bell 'Phone common will remain a stable and safe business investment. Its high position is indicated by the fact that at present quotations it has the lowest yield of any first-class industrial stock.

WHAT WILL TORONTO RAILS FINALLY NET?

Interesting Speculation Now That the Final Say of the Courts is Received

The end of the year will see plans for the last rites on Toronto Railway well under way. Pres. R. J. Fleming says it is the intention to proceed with this at once. As soon as possible a substantial distribution to shareholders will be made. Mr. Fleming says that the return will be $110 or better. Things will move briskly now that the Privy Council has settled finally just what the city shall pay the company for its system, also what properties it shall and shall not take over.

The speculative feature of the issue now is what will the stock liquidate at. Mr. Fleming says $110 or better. This is thought to be quite conservative. A well known authority on the issue estimates $118. His figures follow:

Award	$11,188,000
Head office building	170,000
Scarboro park and other property	300,000
Interest on award	1,400,000
Avenue Road and Don subways	125,000
Cash in treasury	1,000,000
Total	$14,183,000

The above table, divided by the total number of common shares figures out 118 and a fraction, and there may be a shade more interest if settlement is not made for six or eight weeks. These figures are, after all, legal and other expenses have been taken care of. The two years of the three years' interest in dispute may or may not be contested by the city after two courts and the arbitrators have inferred that the company may be entitled to it. All of the above assets are liquid except the amount involved in the Scarboro property, etc., which could no doubt be sold at a price.

Defeat of O.T.A. Would Not Help Distilleries

Called upon during the early stages of the vote return on the Ontario Plebiscite, when it appeared that the province was going "wet," George H. Gooderham made the following interesting statement to the Toronto Globe, indicating that from a business standpoint the Ontario distilleries were little concerned with the outcome:

"The consumption of whiskey will be reduced under government control. There will be no effort on the part of distillers to prepare for business. The line of reasoning which causes the statement is one which no one seems to have thought of. The Ontario Temperance Act caused people to take to the drinking of strong liquor. I have wondered that the drys did not make this point. The people of the province do not want strong drink! they desire beer. I do not think government control would mean much to the distillers—not a bit."

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News of the Mines for the Investor

SMALL ISSUES ARE FINDING FAVOR ON MINING EXCHANGE

Some Bankers Say That the Market Has Been Well Brought Up

Small issues once again provided what interest there has been in the mining market. Newray and Goldale were perhaps the more important. The approach of the Newray distribution of Coniorum shares awakened interest in these issues and they made quite substantial gains. Everett was another issue to receive some attention. The directors have formulated a plan to resume operations. Columbus Kirkland took quite a little spurt on the report that operations are to be resumed. In the better stocks some interest centres around Crown Reserve. Though it was officially announced that the financing of the mill had been arranged, the stock actually sold off. Another weak spot was Tough Oakes Burnside at 49, a new low. The strange part of it is that the proposition is now in a sound position. When things were not half so good it was selling up to 74. The leading golds are standing quite firm, with the exception of Teck-Hughes, which is off a little in a report of lower production. The company is concentrating on getting the new shaft down, rather than on immediate output. Consolidated West Dome Lake continues quite weak despite reports that good success is being achieved in milling operations.

Some brokers are saying that the market is pretty well bought up and that there is a scarcity of the better stocks. They have been hoping against hope that the public would take an interest and thus create an active list. There are no indications of this hope being fulfilled.

Plan Refinancing of Everett Silver Mines

Everett mine shareholders are to be called upon to approve of the directors selling the balance of the treasury stock, to the end that the financing of a new development and diamond drilling campaigns may be carried out. The directors have formulated their plans and will start as soon as the shareholders give their approval. Surface prospecting on the claims with the Castle has revealed several encouraging situations.

To Help Prospectors is to Help Mining

Manitoba mining possibilities are attracting attention from capital and prospectors. Prof. J. S. DeLury, Manitoba University, recently discussed the past experiences of the province, making the point THE FINANCIAL POST made that wild cat staking of early years had done harm. He said:

Harm has been done to mining in Manitoba by sporadic booms. A common and expensive mistake is to pay someone to stake a claim. A great deal of that was done in the Rice Lake district. No good results came of it but a lot of harm, for the reason that the country was staked and legitimate prospectors were correspondingly handicapped. Prospectors should be backed and encouraged and the way to do it was to finance them as partners, not to blanket the country with claims.

Underground Work on Coniorum is Watched

Coniorum Mines, operating Newray, Goldale and Armstrong-Booth properties in Porcupine. Crosscuts which will likely join up the two 1,000-ft. shafts are being run on the 700 and 1,000 ft. levels. These are now in quite a distance and in the workings in Newray the expectations are said to be that the next couple of weeks will see an ore body revealed by diamond drill cut into.

Mining Stock Quotations

WEEK ENDING OCTOBER 28

	High	Low	Close Oct. 28	Close Oct. 21
Apex	3⅛	3	3	2⅝
Argonaut	32	28½	29	30½
Beaver	17½	16	17½	16½
Can. Lorrain	62½	61	61	61
Capitol	37	36	36	36½
Castle Tre.	74	72	72½	73½
Clifton	11	9½	10½	11
Coniagas	2.10	2.05	2.10	2.10
Cons. Smelters	46½	45	46⅛	45
Cons.W.Dome	18	15	15	16⅞
Col. Kirkland	6	3½	6	2
Crown Res.	53½	49¾	49¼	50
Dome Mines	14.90	14.60	14.70	14.65
Everett	8½	6½	7	6⅝
Gold Reef	1⅜	1¼	1⅜	1⅜
Goldale	22	16¾	19¼	16½
Hattie	2⅜	1⅞	2	2⅛
Hattie, pref	48¾	42	48½	48
Hollinger	14.50	14.25	14.25	14.38
Hunton	10	8½	10	8¼
Keora	9½	9¼	9½	9
Keeley	2.34	2.28	2.28	2.34
Hillcrest, pref.	81	81	81	80
Int. Nickel,com.	19⅞	19½	19⅞	18½
Kirk. Lake	18½	18¼	18½	18
Lakeside	9¾	8½	8¾	10
La Rose	5	5	5	5
Lake Shore	3.98	3.88	3.90	3.93
Lorrain T. L.	1.45	1.44	1.45	1.46
Lorrain	22½	18¾	18¾	20½
McIntyre	16.00	15.90	15.90	16.00
McKinley	12	11	11½	12
Mining Corp	2.73	2.68	2.68	2.68
Moneta	15	15	15	16
Newray	30½	23½	27	23
Nipissing	6.00	6.00	6.00	6.00
Premier Gold	2.35	2.33	2.33	2.30
Ophir	3¼	2½	3¼	2½
South Keora	20	20	20	20½
Teck Hughes	1.19	1.14	1.15	1.13
Thomp.-Krist	1¾	1½	1¾	1¾
Timiskaming	17½	17½	17½	18
Tough-Oakes	54	48½	48½	52½
Trethewey	16½	16	16½	16¼
Vickers	7¼	7¼	7¼	8
Vipond Cons.	1.26	1.24	1.24	1.25
Wright-Har	3.60	3.60	3.60	3.60
Oil Companies				
B.A. Oil	34	32½	33⅝	32
Imperial	108½	104	106	104
Inter. Pet.	20¼	19⅞	19⅞	20
Mutual	11¼	11	11¼	10⅝
North Star,com.	60	60	60	50

Report on S. Keora in Lorrain Important

Jos. C. Houston, M. E., has made a report on South Kenora claims. It is conservative, yet optimistic. He found conditions which indicate that this northern section of Lorrain camp has an excellent chance of producing silver, for, geologically, the stage seems set. He says:

The quartzites are lying about horizontal and are probably lying unconformably on a keewatin basement at no very great depth from the surface. The contact of diabase and quartzite where exposed on claim 20676 shows the diabase dipping under the quartzite towards the west at an angle of from 20 to 30 degrees. This diabase sill is probably a continuation of the sill which has been so productive a few miles to the south-east at the Keeley and other properties.

Of importance is a large and strong fault fracture which cuts across the property. There has been a heavy displacement of several hundred feet which the engineer's map indicates is similar to the Cobalt Lake fracture and of greater magnitude than the displacement on the Keeley. After pointing to the many veins on the property and outlining the development program, Mr. Houston says:

The area to the east of the shaft and along the fault is well worth exploring and offers possibilities of commercial ore being encountered. The geological conditions are favorable and justify considerable work.

McINTYRE LAYING OUT A NEW TOWN

Will Erect 200 Houses for Employees for a Start—Town Being Planned

McIntyre Gold mines is laying out a small townsite on its property at Schumacher. Leonard E. Schlemm has been entrusted with the planning of the town and shrubberies. There will be two hundred houses for a start. The idea is, instead of laying out a town along absolutely square-corner lines, to take advantage of the small gulleys and general contour to make an exceedingly pretty town. Hollinger is figuring on planting a mass of shrubs around their office, probably in the spring.

CONSOLIDATED W. D. EARNINGS

Consolidated West Dome, it is said, will have satisfactory production for October, estimates of the production being as high as $30,000. Ore bodies are said to be showing improvement at depth.

CROWN RESERVE HAS SECURED FINANCES

Good Progress Made on Property and Mill Will Now Be Erected

Financing of the Crown Reserve Gold Mine has been satisfactorily arranged, and the development work which was recommended by Consulting Engineer W. M. Summerhayes, will be aggressively carried out, Colonel W. I. Gear, president of Crown Reserve, has officially stated. Not much advantage was taken of the offering to the shareholders of the company's stock at 60c., as the figures quoted on the open market at that time were considerably below that figure; however, THE FINANCIAL POST learns that when the present deal is successfully consummated, the yield to Crown Reserve will be considerably in excess of the price at which the shares were originally offered to the shareholders.

It is believed that this deal involves in the neighborhood of one million shares, which will eventually leave in the treasury some 300,000 shares, sufficient to ensure bringing the company into production. In addition to the Larder Lake property, the company own 386 acres, situated near Lake Fortune, making 544 acres in all. Assessment work has shown some very interesting samples at Lake Fortune and it is expected that further work will be done on these properties in the spring.

Development on the Larder Lake property on which a mill is to be erected has been highly satisfactory. Ore reserves are placed at $1,000,000. A shaft was sunk 572 ft. with four levels opened. On 170-ft level No. 1 vein is drifted on 620-ft and No. 2 200-ft. On the 300-ft level No. 1 is drifted on 930-ft and No. 2, 380-ft. On the 425-ft. level and on the 550-ft. level, No. 1 is drifted on 680-ft. A winze is being sunk from the 550 level on No. 1 vein. No. 3 vein has just been cut.

Gamble's Deal With McIntyre Interesting

Bob Gamble, the Northern Ontario prospector, who sold 3,000 acres of Rouyn, Que., mining lands to the McIntyre Gold Mines for $1,000,000, is in Toronto negotiating to dispose of another group, 1,000 acres, which he holds. So far he has only got $10,000 cash on his deal and it will be a year before the real big payments start. After that they will come in sums of $100,000 or more. He is pleased with the McIntyre effort to prove up the rich surface showings of the property, a large gang being at work.

MAY RE-OPEN OLD MINES

Victoria and Cascade silver mines near the Soo, may be re-opened. They have been idle for years. The former mine was quite a sensation 25 years ago.

Golden Summit mines in Maisonville Tp. will resume operations Dec. 1. A new shaft is to be sunk.

SILVER AND OTHER METALS

October—	27	28	29	30
Silver—				
London, (pence)	35 1/16	35 1/16	34 13/16	34 15/16
N'w York	70	70	69⅝	69⅞
Copper	—	13½	13½	13½
Lead	—	8.65	8.65	8.65
Zinc	—	6.50	6.47	6.50

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Current Events in Banking World

Does it Pay Bank to Make Loans Under Section 88?

Opinions Differ as to Whether There is Any Profit, But Managers Agree That Benefits Are to the Borrower and the Community

A couple of weeks ago there appeared on this page an item regarding the actual working out of Section 88 of the Bank Act, in which the views of the general manager of one of the banks were given to the effect that in his experience the banks made no money out of this business, because of the various bookkeeping and other costs running up the overhead. This is an important point. There is a feeling on the part of the public that the banks constitute a money trust by virtue of act of parliament, and that many concessions are provided by which the money interests are granted advantages over the public. If then Section 88 provides benefits for the borrower, rather than for the bank, an effort should be made to make this known to the public. Bank managers should have this in their minds when they have to meet complaints about the banks and their "valuable privileges."

The statement of the general manager referred to was in line with the views of bankers which have been expressed to me from time to time. And so in order to get something definite on the question, I wrote to a number of branch managers, mostly in industrial centres, for their opinions, based on experience.

The replies being receiving indicate pretty clearly that there is little or no profit for the banks in business secured under Section 88. However, there is the point made that as banks are public service institutions, Section 88 provides an opportunity for such service and brings its benefits to the banks indirectly.

Would Charge Higher Rate

"I quite endorse the sentiments expressed in that article," writes an experienced manager in an Eastern Ontario city located in an important dairying district. "I find loans under Section 88 cause an endless amount of work, and, unless the party borrowing is strictly honest, there is possibility of a bank losing by such loans." He then suggests a higher rate of interest, pointing out that in his experience farm loans are safer than industrial or commercial loans:

Personally I feel that where loans are made under Section 88 a higher rate of interest should be charged than on an ordinary loan. Personally I would not make a loan under Section 88 unless I had the utmost confidence in the party receiving the money, as if the borrower was dishonestly inclined he would have ample opportunity of disposing of the goods hypothecated to the bank without the bank's knowledge.

After forty-three years' experience in banking, thirty-four of which have been as manager, I venture the opinion that no class of business is so safe or profitable for a bank as loans made to farmers. After varied experience of lending large amounts to that class of borrower, you may be surprised to learn that the total loss made by loaning to farmers under my management is less than $1,000.

Service to Borrowers

The point that Section 88 provides a means of giving service to manufacturers, and thus helping industry, is made by a manager in a Western Ontario industrial town, who suggests that with some accounts a service charge should be made which would help to offset unprofitable business:

In the case of the larger borrowers under Section 88, whose statements show an adequate margin of security in goods manufactured, in process of manufacture and raw materials, and who have comparatively good sales, the operation of the account involves careful but not unreasonably onerous clerical attention, while all these accounts possess at least one controlling virtue from a banker's standpoint, namely, that the annoying habit persisted in by many customers of frequently attempting to overdraw their checking accounts is effectivey discountenanced. It is well recognized by bankers that the creation of an overdraft of even a very temporary nature in a Section 88 account leads to complications which might easily impair the security afforded the bank under the provision in the act. The bank is, therefore, assured of working balances in the larger Section 88 account of more or less value.

In dealing with loans under Section 88 extended to numerous smaller manufacturers with inadequate working capital unquestionably at all times, and more especially during the pinch of hard times, the responsibility and the clerical work involved on the part of the bank in keeping record of the security and in the final collections of the proceeds of sales is out of all proportion to the value of the account to the bank. Such accounts are, in many cases, a direct loss of revenue and the bank would be better off without them. It is, however, quite true that a large number of such accounts could not obtain banking accommodation unless they were empowered to pledge their stock of merchandise to the bank by way of security.

While the handling of such accounts is unprofitable, beyond the question of immediate profits banks have this important obligation devolving on them that in the public interest they should extend all the assistance they reasonably can to small manufacturers with a view to building up industry for the good of the customer, for the employment of labor, and for the ultimate profits that might accrue to the bank. In all small accounts in which loss to the bank in carrying the account can be shown the bank would be entirely justified and should arrange with the customer for a reasonable service charge.

Benefit to Community

Another manager in a Western Ontario industrial city feels that while profits on loans under Section 88 more than meet the carrying charges, the business generally is unsatisfactory and costly to the banks, and a benefit—as intended by parliament—to the industrial community:

While the banking profit on loans under Section 88 may not always be commensurate with the special risk involved, having regard for the fluctuating market value of the commodities pledged and the opportunity afforded unscrupulous borrowers for making extravagant representations, yet in our experience in handling loans under this section we do not find that the clerical routine involved is so expensive as to eliminate a profit.

In expressing this view I am assuming that your enquiry referred to the actual bookkeeping and management costs. If you were to ask me whether I considered the general public were warranted in feeling that Section 88 afforded the bank some valuable concession, I would say that loans of this nature probably cost the bank more worry and loss than any other form of business and that the benefits derived from the act accrue, as was the intention of parliament, principally to manufacturing concerns and others who are able to supplement, and in some cases entirely provide, their working capital to such loans.

From an industrial city in the Niagara district a manager writes endorsing the views of the general manager referred to in the original article. "In fact," he adds, "it is a question in my mind if such loans are not made at an actual loss; the concession is really one to the borrowers." Another manager holds that loans under Section 88 "are quite profitable when the security in connection with the loan is ample," but admits that the amount of work involved might quite easily reduce the profit to a minimum. But another feels that "while sometimes the clerical and other labor involved is serious, one would hesitate to give up this form of protection to the bank's loan."—J. W. T.

New Orleans Railway Sold for Home Bank

The liquidators of the Home Bank of Canada have, with the approval of the court and of the inspectors appointed to represent creditors, sold the interests of the bank in the West and South New Orleans Light and Traction Companies to E. W. Burgis, of New Orleans, for the sum of $800,000 cash, which has been paid over.

The sale price is considered to be a satisfactory one, based upon independent appraisal obtained by the liquidators, with the sanction of the inspectors.

The outlays of the Home Bank of Canada in connection with railway and light enterprises in New Orleans amounted, with unpaid interest, to approximately $1,150,000 at the date of suspension of the bank.

Cheque Artists Always Have Something New

A former Canadian banker who is now a business man in Grand Rapids, Mich., sends the following item from the Grand Rapids Progress, issued by the Association of Commerce. He comments that it shows that "the brains of the bad cheque artist have not been exhausted, but, on the contrary, ever have fresh ideas blossom and bear fruit."

DID YOU CASH ONE OF THESE BAD CHECKS?

On September 6, 1924, the Bradford Machine and Foundry Company, telephone M2402, Grand Rapids, issued a number of pay roll checks to various persons, the checks indicating the account was at the Old National Bank.

Notwithstanding the fact that there is no such concern in Grand Rapids; notwithstanding the fact that the name is not listed in either the city directory or the telephone directory; notwithstanding the fact the Old National Bank had no such account; notwithstanding the fact the person signing the checks was not known in Grand Rapids, and notwithstanding the fact that the person cashing the checks was a total stranger, several of them were cashed by downtown merchants of Grand Rapids.

This all reveals the fact that the cashing of checks by business men, especially merchants, is too common a practice and entirely too risky without proper identification. This is not the first case of this character coming to the attention of the Association of Commerce and will probably not be the last unless the merchants adopt more rigid rules and enforce them vigorously.

Weekly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	Oct. 25, 1923	Oct. 23, 1924
Halifax	$ 3,763,581	$ 2,731,574
St. John	2,785,827	2,466,513
Moncton	890,610	916,337
Quebec	6,019,650	6,044,530
Sherbrooke	816,853	763,163
Montreal	123,977,326	107,875,817
Ottawa	6,070,218	6,819,762
Kingston	674,806	701,453
Peterboro	913,146	868,931
Toronto	197,709,910	110,690,564
Hamilton	6,266,302	4,950,303
Brantford	1,100,351	889,201
London	3,159,147	2,613,779
Kitchener	1,027,374	868,035
Total, East	$355,175,101	$249,199,962

WESTERN CITIES

	Oct. 25, 1923	Oct. 23, 1924
Windsor	3,472,588	3,798,954
Fort William	1,329,486	1,295,341
Winnipeg	72,202,066	75,450,457
Brandon	718,406	697,120
Regina	4,557,295	4,414,674
Moose Jaw	1,620,634	1,599,744
Saskatoon	2,364,841	1,990,192
Prince Albert	382,404	335,661
Lethbridge	715,643	632,203
Calgary	6,909,551	8,079,006
Edmonton	3,989,390	4,964,629
Medicine Hat	848,116	362,279
N. W'tminster	584,499	533,955
Vancouver	15,862,822	17,759,717
Victoria	2,227,755	2,943,469
Total, West	$117,785,496	$124,857,401

AN INCREASE IN BANK BUSINESS

Debits to Individual Accounts Were Considerably Larger in September

The debits to individual accounts in the clearing house centres of Canada as reported to the Dominion Bureau of Statistics by the Canadian Bankers' Association, showed an increase of 9.7 per cent. in September, as compared with the transactions of the preceding month, due allowance being made for seasonal variations. The debits in September amounted to $2,198,413,000, as compared with $1,967,070,000 in August, resulting in an unadjusted increase of $231,343,000, or 11.7 per cent. With the exception of May and July, the debits of September were greater than in any previous month since the publication of the statistics was commenced at the first of the year.

The bank clearings were $1,363,653,000 in September, as compared with $1,252,549,000 in the preceding month, representing an increase of nearly 9 per cent., or nearly 7 per cent., if the seasonal trend is eliminated.

Clearing House Centres.	Debits to Individual Accounts August	September
Maritime Provinces—		
Halifax	22,343,739	20,114,349
Moncton	5,909,455	6,272,375
St. John	25,879,040	16,768,360
Total	54,132,234	43,155,084
Quebec—		
Montreal	557,632,359	574,621,652
Quebec	44,453,642	40,550,806
Sherbrooke	7,796,143	7,719,610
Total	800,882,144	622,892,068
Ontario—		
Brantford	7,793,874	6,740,365
Chatham	5,580,945	5,585,996
Fort William	5,846,608	7,392,355
Hamilton	44,501,919	47,427,856
Kingston	5,292,555	5,424,493
Kitchener	7,549,142	7,635,676
London	18,584,408	20,606,207
Ottawa	100,871,505	122,899,563
Peterborough	5,304,096	5,716,508
Toronto	525,897,011	729,623,216
Windsor	25,454,875	24,200,051
Total	752,676,938	983,342,286
Prairie Provinces—		
Brandon	3,986,842	4,156,689
Calgary	38,440,306	39,215,306
Edmonton	24,460,654	26,405,628
Lethbridge	5,092,617	5,007,238
Med. Hat	2,665,339	2,580,515
Moose Jaw	7,188,039	7,875,854
Prince Albert	2,037,232	1,767,849
Regina	19,542,516	20,072,556
Saskatoon	9,387,590	10,388,408
Winnipeg	296,929,924	289,413,980
Weyburn Securtiy	1,391,722	2,774,833
Total	411,121,781	409,608,856
British Columbia—		
N. Westmin.	4,561,562	5,222,114
Vancouver	116,182,649	113,456,737
Victoria	18,513,090	20,737,042
Total	139,257,301	139,414,898
Grand Total	1,967,070,398	2,198,413,187

TO STABILIZE THE FRANC

PARIS.—An agreement between J. P. Morgan & Company and the French Government on a loan to be floated on the American market about Nov. 10, has been signed. The amount is understood to be $150,000,000. This loan will serve to repay the house of Morgan for its $100,000,000 credit first extended for former Premier Poincare and afterwards extended for Premier Herriot. The object is to stabilize the franc during the coming year, if possible.

Big Sums Were Loaned Directors and Associates

Loans by the Home Bank to directors and companies in which they were interested, including loans guaranteed by directors and securities of companies in which directors were interested, totalled more than $8,000,000 at May 31, 1923, according to the testimony of A. E. Nash, in the trial of Clarence F. Smith.

Actual loans to directors totalled $276,244; loans to companies in which they were interested stood at $3,257,477; other loans guaranteed by directors, $191,169; securities of companies in which they were interested, $2,563,665; and, in addition, the loan to the Canadian Property Company, totalling over $1,400,000.

HE COINED "I. O. U."

Andrew J. Frame, chairman of the Waukesha, Wis., National Bank, who has been leading the battle of the small banks in the United States against the branch banking movement, attended the annual convention of the American Bankers' Association this year for the forty-seventh time. Mr. Frame has celebrated his 80th birthday but this does not prevent him from daily indulging in golf except when duty prevents. More than twenty-five years ago in the delivery of an address he coined the phrase "I. O. U." which, according to the Chicago Economist, has been in use the world over without its authorship being known.

Staff Gossip

Robert Hunter, accountant at the Union Bank, has been transferred to Montreal. He has been on the staff here for nine years. Mr. Hunter is going to the branch, corner of Peel and St. Catherines streets.—The Globe, St. John.

* * *

H. M. Stewart, formerly manager of the Bank of Commerce, St. John's, Nfld., who is to succeed James Simon as manager of the Canadian branch of the bank, has arrived in the city with his family. Mr. Simon will stay on with the bank until the first of December.—The News, Chatham.

* * *

Frank H. Reid, manager of the Winnipeg branch of the Bank of Toronto and widely-known local business man, died last week. Death came suddenly from an acute attack of pneumonia which developed following a chill he suffered while on a shooting trip.

About 1900 he entered the service of Hopper's private bank in Rapid City, shortly afterwards becoming an officer of the Union when that institution bought the Hopper interests and for many years was with the Union Bank in Winnipeg, later joining the Bank of British North America. In May, 1919, he transferred to the Bank of Toronto, proceeding to Edmonton, where he opened a branch and in July, 1922, assumed managership of the Winnipeg branch.—The Tribune, Winnipeg.

ROYAL BANK

Stewart J. MacLeod, brother of Alderman A. M. MacLeod, has been appointed manager of the Moncton branch of the Royal Bank of Canada. He entered the employ of the Royal at Sydney about 15 years ago.

Exchange

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Oct. 23	Par	Par	1 7-16	1 13-32
Oct. 24	Par	x1-64	1 11-16	1 15-32
Oct. 25	Par	x1-32	1 15-16	1 11-16
Oct. 27	Par	x1-32	1 3-4	1 9-16
Oct. 28	x1-32	x3-64	1 1-2	1 5-16
Oct. 29	x1-32	x1-32	1 13-32	1 1-4

x—Discount.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Oct. 23	4.49⅜	5.22	4.34½
Oct. 24	4.49 1-16	5.21¼	4.33¼
Oct. 25	4.49⅛	5.21	4.32½
Oct. 27	4.50⅛	5.21	4.31
Oct. 28	4.50	5.21½	4.31¾
Oct. 29	4.50¼	5.23¾	4.32¾

STANDARD BANK

Gerard B. Strathy has been elected a director of the Standard Bank of Canada. Mr. Strathy, who is prominent in local legal circles, is already a director of the Toronto Mortgage Company and the Fidelity Insurance Company.

HAMILTON BANKERS' INSTITUTE

The annual meeting of the Hamilton Institute Bankers was held during the week. The following officers were elected for the ensuing year: Hon. president, J. P. Bell, manager-in-chief, Canadian Bank of Commerce, Bank of Hamilton Br.; president, A. R. Lancefield, manager Royal Bank, Market Br.; vice-president, W. D. Macmillan, assistant manager Bank of Montreal, main office; treasurer, A. S. Murduff, accountant Royal Bank of Canada; secretary, D. K. Stewart, assistant accountant Bank of Montreal King and James Sts. Committee—Mr. Tarlton, Bank of Nova Scotia; Mr. Matthews, Dominion Bank, Mr. Tomlinson, Molsons Bank, North End Branch; Mr. Leigh, Union Bank of Canada; Mr. Waye, Imperial Bank of Canada; Mr. Davey, Bank of Toronto; Mr. Barraclough, Standard Bank of Canada.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, OCTOBER 31, 1924

THE CONSEQUENCES

THERE is a disposition on the part of the great mass of the people to assume that punishment seldom fits the crime and that people who have enough money can snap their fingers at the law. The sentencing of Peter Smith, former provincial treasurer of Ontario, and Aemilius Jarvis, well-known financier, to serve prison terms and pay a joint fine of $600,000 should go far to destroy this idea.

As a matter of simple fact the great majority of rich men, like the great majority of men with smaller incomes, are honest, and are playing their part in the upholding of law and order, and in helping to better the condition of their fellows, and big businesses, like small businesses, must be on a sound economic basis and conform to the inexorable economic laws if they are to continue. If it were not so our whole system of civilization would disintegrate. And, despite the agitations of the Bolshevists, Communists, and other trouble makers, we believe that system is serving the community better than anything which is being offered, particularly by propagandists who are obviously more interested in tearing down what is, than trying to build something better.

Is the lesson then, not that all rich men and big corporations are dishonest, and that some of them are found out, but that, because of the consequences which have followed the mishandling of Ontario's funds and such unsound financing as revealed in connection with the Home Bank, public men and financiers generally, must be honest and financial institutions must be soundly conducted if they are to avoid a similar fate?

TORONTO AND MONTREAL

THE removal of the headquarters of the Canadian National Railways from Toronto to Montreal is a subject upon which the Toronto Telegram feels strongly and writes bitterly. Since the change it has held many different men responsible. Its latest victim is Hon. P. C. Larkin. On the whole, the Telegram is an honest, courageous and public-spirited newspaper but it has three great weaknesses: a perverted knowledge of economics; jealousy of success,—whether the success is a University professor or a multi-millionaire; and jumping to conclusions without investigation or reflection, advocating, wildly sometimes, policies based upon these prejudices. It has been and is a power in Toronto, but instead of using that power in a broad constructive way for the upbuilding of the city and the province, its tendency has been to tear down. Its rival, the Star, finds it also profitable to make appeals to the prejudices.

As a distinguished publicist has pointed out "Wrong economics, however well intended, have been more fruitful of harm to the people than almost any other single act of Government," and Toronto and Ontario are certainly suffering to-day as a result of false economies for which a section of the press, led by the Telegram, is chiefly responsible.

The late Hon. Robert Jaffray, principal owner of the Globe, brought a great steel plant to Toronto. Mr. Jaffray was an able constructive citizen and Canadian. The Telegram, fearful that he might make money for himelf, but not recognizing that successful business leaders make vastly more for their country than for themselves—used its powerful influence at the City Hall to block the scheme and the industry was established in the enterprising city of Hamilton instead. Some years later the United States Steel Corporation were ready to put a plant in Toronto and to develop a great nickel-steel industry here, but when they learned the experience of the Steel Corporation of Canada they dropped the scheme and not only Toronto but Canada lost a great industry for the time being.

When William MacKenzie and Donald Mann, two Toronto citizens, were fighting with their backs to the wall to establish a great transcontinental railway system with headquarters at Toronto, the Toronto Telegram and its organization was the most vicious and violent of their enemies in spreading misleading information and in carrying on destructive tactics. MacKenzie and Mann gave a leadership to Toronto and an inspiration to young men and industries of Ontario to go on and accomplish things. That leadership, we admit, was not always a wise one. THE POST many times criticized them and the actions of some of their agents, but no men were more ready to admit the justice of these criticisms than Sir William MacKenzie and Sir Donald Mann themselves. The financial and industrial leadership they gave to Toronto passed back to Montreal when they lost control of the C.N.R., the concluding phase being the removal of the headquarters of the National Railway System from Toronto to Montreal. Various excuses and explanations have been given to the public for this removal, but the real reason, which could not be officially given, was exactly the same reason as drove the two great steel corporations away from Toronto—the talkative sentiment that causes Toronto to be governed by prejudices, not by common-sense and good business.

Not only has the city lost its financial and industrial leadership, but in higher education its leadership is now threatened by the great constructive work of Sir Arthur Currie at McGill.

This article is not written in any unfriendly spirit to the Toronto Telegram, but in the hope that its editors and citizens generally may recognize where their destructive policies have led them. We believe them to be sincere, even if narrow and prejudiced, and we recognize the great power the paper wields by its writings and the activities of the political organization it has built up throughout the city to give practical support and effect to its editorial campaigns, campaigns generally in the public interest. We are, perhaps, more often in accord with the Telegram's general views than not.

Nature has given Montreal but one advantage over Toronto, an ocean port. Toronto has the advantage in practically every other respect, and particularly in its greater areas of rich farming lands, mines, forests and inland fisheries and has a much more generous climate. But to-day Toronto and Ontario lack industrial and other constructive leadership, and they lack that leadership because men who would lead do not get the same treatment in Toronto and Ontario as Montreal and Quebec give their men and women who are doing and are prepared to do the great things. When we get this, and the elimination of racial prejudices, the two cities and the two provinces will go into an era of the greatest prosperity. A reformed Evening Telegram can be the greatest factor in bringing about that era.

PUBLICITY GONE WRONG

SOME of the cities of Canada are now undertaking to maintain departments, either of the Chambers of Commerce or through other institutions which will directly make known to the rest of the world, the attractions of the community to the manufacturer, home-seeker, tourist or settler, and indirectly improve these and develop other attractions. Such Canadian cities usually have some very positive advantages to offer, but the difficulties of the organization whose function it is to market these, are many. When the control of such a board is in the hands of the best business men with an efficient manager in charge, they can do undoubted good to their communities, but so often when they begin to succeed they are made the prey of local politicians or others who wish to use them for their own ends. They are the mark of every person in the community who thinks they have advertising to sell, from the program for the ladies' aid social to the special edition of the largest paper. These people are not content to sell their advertising on its merits, but bring all kinds of pressure to bear through social, business, and fraternal organizations in order to secure appropriations.

When such things come up, if the organization is unfortunate enough to have men who are looking for their own "kudos" rather than the good of the community, then they are apt to get on a side-track which will lead them inevitably to the ditch. It is inconceivable to the ordinary man the dark and devious ways in which plans are hatched to use institutions of this kind for personal gain and that community is fortunate which has in its directors or management, men who have a definite purpose and who are singleminded in purpose and sincere in their desire to serve.

EDITORIAL NOTES

THE imposition of the death sentence on four of the Montreal bank bandits should have a discouraging effect on criminals who have been showing an increasing disregard for human life, and should also help to remove the menace which bank officers and messengers assume.

Crop Price Rise May Cause Boom in Farm Land Values

Some Evidence of Danger of Unsound Expansion in Land Holdings—Canada Should Remember War-time Experiences

By B. M. ANDERSON, Jr., Ph.D., Chase National Bank.

A period of prosperity involves a greater danger of over-expansion and over-capitalization in agriculture than in most other lines of production. Twenty-five-cent sugar was financially disastrous to Cuba. The high prices of grain and livestock, through 1915-19, left our farmers in a most vulnerable financial position. Obviously, if they had used the profits of 1915-19 to pay off debts and to pile up liquid reserves in the form of marketable investments, they would be better off to-day than they were in 1913. A great many businesses did precisely that thing, examples being the United States Steel Corporation and the Utah Copper Company.

Agriculture has much to learn from industry and commerce in the matter of financial technique. Liquid investments and the importance of liquidity are little understood in agricultural regions. Rather, as intelligent men, our farmers invest in the things they know and understand—namely, land and mortgages on land. The farmer with surplus funds thinks first of land. If he is an old man, or a very conservative man, he lends to some other farmer on mortgage security to enable him to buy land. Both of these investments are socially approved in the community as proper things for a conservative, substantial man to do. The foundation of a speculative boom in farm lands is thus to be found in practices and ideals which constitute the conservative wisdom of an agricultural community.

In individual cases, it often is wise to buy land or to lend on farm mortgages the higher values at first, but as actual sales at higher prices take place in sufficient number, new standards are created and the community comes to believe in the permanence of the new values. New loan standards are also created. Perspective is lost. It is easy to go into debt for the purchase of land, and, finally, a boom psychology is created in which the whole structure, both of land values and of loans on land, may become very unreasonably high. When reaction comes, such communities are very ill-prepared to meet it.

Farm values rose in the United States from $39.60 to $69.38 per acre between 1910 and 1920. From 1850, the figures by decades are:

Average value per acre (farm land and buildings).—1850, $11.14; 1860, $16.32; 1870, $18.26; 1880, $19.02; 1890, $21.31; 1900, $19.81; 1910, $39.60; 1920; $69.38.

The figures of the census for mortfor mortgage debt on farms operated by by owners are as follows: 1890, $1,085,995,960; 1910, $1,726,172,851; 1920, $4,003,767,192. An unofficial estimate supplementing these figures places the total of farm mortgages in 1910 at $3,599,000,000. and, in 1920, at over $8,000,000,000.

Copper and steel, as well as agriculture, faced the problem of rapidly rising prices in the boom period, followed by a sudden collapse in the crisis and depression. Steel fared better than agriculture, because steel prices rallied in 1922, but copper prices since 1920 have averaged only 13½ cents per pound, as against 15 cents in 1913—a record substantially worse than the record of agricultural prices. Both industries had the same temptation to run wild financially that agriculture had, and both would have been wrecked in 1920-22 if they had allowed themselves to run wild in 1915-20. It is interesting to see how two well-managed corporations, one in steel and one in copper, handied their finances during the boom, crisis and depression.

The United States Steel Corporation, including its subsidiaries, between the end of 1913 and the end of 1922, reduced its bonded debt from $627,000,000 to $540,000,000. In 1913 its undivided surplus stood at $152,000,000. By the end of 1920, this had risen to $523,000,000. Much of this addition to surplus was invested in marketable securities. Security holdings rose from $2,241,000 in 1913 to $159,000.000 at the end of 1919. Another $100,000,000 of the increased surplus was kept in cash, the cash rising from $66,951,000 in 1913 to $166,727,000 at the end of 1919. In the period of trouble, United States Steel drew heavily on these liquid reserves, selling about $99,000.000 of its securities by the end of 1922, and pulling its cash down to $117,000,000 by the end of 1921. At the worst of the trouble, United States Steel was in a far stronger position than in 1913.

The Utaah Copper Company showed no bonded debt in 1913, and shows none in its statement for 1923. It saved over thirty-nine million dollars of the boom-time profits and it put a substantial part of this increase of surplus into marketable securities. Sesurity holdings stood at $2,472.000 in 1916, and at $13,847,000 in 1919. This liquid reserve was needed in the years that followed. The securities had been pulled down to $4,959.000 by the end of 1923. The surplus from operations dropped from $49.000,000 in 1919 to $36.497.000 in 1922, but rose again to $40,472,000 in 1923—at which time it stood over thirty millions above the surplus of 1913.

The contrast between these financial policies and those which prevail in agriculture is deserving of attention and study. The farmer can also learn to take account of the fact that there are alternations in business; that sharp booms are usually followed by sharp reactions, and that when reactions come, liquid cash and marketable securities are very useful.

The farmer is liquidating this year. His larger income—very much better than for several years—is being used very generally in paying off bank loans, arrearages on interest, and debts to merchants, fertilizer companies, farm machinery companies, and others. In some sections, however, he has surplus funds after these creditors are cared for, and with another good year this would be true in many sections. In what should he invest his surplus funds?

The country banker, supplementing his information by consulting his city correspondent, will be the farmer's best adviser in matters of this kind. The farmer has often been the victim of enthusiastic salesmen of speculative stocks, and the banking fraternity should be alert to guard him against this in the future. Short-term Liberty bonds and local school district warrants, in well-managed districts, are excellent. Both are acceptable as collateral at the country bank in time of financial pressure, since both are very acceptable as collateral when the country banker wishes to borrow from his city correspondent. Every country banker can have a list of good railroad and industrial bonds (of fairly short maturity so as to avoid the risk of wide market fluctuations with changing interest rates) which he can recommend to his customers as suitable for a liquid reserve. Local mortgages, however good, do not meet the requirement of liquidity, and while excellent as a source of income for retired farmers, do not constitute a suitable emergency reserve for the active farmer. Savings and time deposits with the country bank constitute a satisfactory reserve for the individual farmer, and also for the community as a whole, if the country banker uses them to buy outside commercial paper, bank acceptances, and marketable securities. They should not be tied up unduly in local mortgages.

The present artificially cheap money, which has so greatly reduced the yield on securities, acceptances, and commercial paper, is a very severe handicap to the country banker who wishes to keep the savings and time deposits of his community in liquid investments. Mortgages now yield so much more than do liquid investments, that the temptation to buy mortgages is very great. There is special need to be on guard lest the present artificial excess of short-time funds in the financial centres overflow into real estate mortgages and generate an unsound boom in farm lands.

Crow's Nest Rate Issue Likely to Go to Courts

From Our Own Correspondent.

OTTAWA.—Reports from the West saying that the government is in for a peck of trouble over the Crow's Nest Pass agreement are read with interest here, but two opinions are expressed thereon. One is that while this subject may produce some strong speeches in the House, still the government's position will not thereby be endangered. The other opinion is that the government will have trouble all right, but that no one can be sure just how it will work out.

Those who hold the first opinion say: "This talk about trouble for the government is greatly exaggerated. One would think that the government hadn't trouble over anything else. No, the government will not get into as much difficulty as a lot of people think. This Crow's Nest Pass rate business cuts every way. All parties are affected by it, and it is a great mistake to think that any party is going to have a monopoly of the credit or the blame in connection with it.

"Suppose that the government takes the position that it can't move in the matter until the courts have decided on the points of law involved in the appeals, what can the Progressives do? They simply can't do anything. They would get no help from the opposition, for Mr. Meighen has taken the stand that the Railway Commission must have full control over rates. So no help can be expected from that quarter. Nor would it do any good to force an election, for nothing could be done until it had been decided, and then it is going pretty far to say that the Progressives would be in as good position in the new House to get their way as they are to-day.

"The government will no doubt be subjected to much criticism from the prairie members, but on the freight rates question it is in a much safer position than it will be on the tariff. If the government awaits the action of the courts, it will escape opposition criticism, but there is no assurance that it will not get criticism from both the opposition and the Progressives on the tariff. On this subject the opposition will criticise, if the government acts; while it will be criticised by the Progressives if it doesn't act."

Having secured an opinion from the Department of Justice to the effect that the commission has full power to put its order into effect and that the order was not stayed through an appeal, the government decided not to suspend it. In doing so it clearly followed the advice of its own counsel. No doubt it decided that if it had to choose between advice from counsel, and from politicians, it would be on safer ground if it followed the former.

There is no doubt that the government is freer to-day to act on the Crow's Nest Pass matter than it was in 1922, or even last summer. No government, even had it so desired, could very well have got through the House without invoking closure, a measure continuing the suspension of the act, for its efforts would have been blocked. Now, however, the government by delaying action until the courts have given their decision, will probably be in a stronger position than it would be through any other course.

Then again, it has been solemnly warned of what may happen to the Canadian National Railways if rates are to be reduced without a corresponding reduction in operating costs, and the earnings of the system this year show that this is not idle warning. The government supporters are convinced that a frank statement of this feature of the situation will satisfy the prairie provinces, which are strong for public ownership.

In dealing with freight rates the government has also to take the Maritime Provinces into account; for they are growing very restive. One of the strongest criticisms made of the government down here is that the concessions made to the prairie provinces have rendered it impossible for the Maritime Provinces to get justice. Politically, these provinces are of more importance to the government than are the prairies, for if they do not go Liberal they go Conservative. On the other hand it is figured that if the prairie provinces do not go Liberal, about the worst they will do is go Progressive, which is much less to be feared than out-and-out opposition.

Speak Up, Mr. King

Grain Growers' Guide.

Two very recent events afford Premier King an excellent opportunity, before he completes his Western tour, to indicate in a tangible form whether the quality of the liberalism of the Liberal party bears any relationship to the progressivism of the Progressive party. Mr. King laid great emphasis upon this matter in his speeches two weeks ago, but his utterances on the question of the completion of the Hudson Bay Railway and the reform of the Senate, were decidedly not encouraging. The abrogation of the Crow's Nest Pass contract by the Railway Commission, last week, and the terms of the new treaty with Australia, present to Mr. King his opportunity. If he fails to measure up then it should be a fair commentary upon the genuineness of his proposals to the Progressives.

In allowing the Crow's Nest rates to come into effect automatically on July 7, 1924, Mr. King's government gave passive expression to its policy upon this question. In fact, members of the government have been claiming considerable credit for the benefits accruing to the prairie provinces under the Crow's Nest rates. But by order of the Railway Commission the Crow's Nest rates will be discontinued on October 29, and the former high rates will become effective. The question of law and jurisdiction in the matter is subject to appeal to the Supreme Court and to the Imperial Privy Council. But there is no occasion whatever for such an appeal with its golden harvest to the legal fraternity, and with severe losses to the people of Canada. The Railway Act gives the government authority by order-in-council to rescind any order of the Railway Commission. The clear and statesmanlike duty of Mr. King and his government is to rescind the order of the commission which cancels the Crow's Nest rates on October 29, and when parliament meets to present legislation making the Crow's Nest agreement effective, and beyond the authority of the Railway Commission. If Mr. King and his government fail in this matter they will be sacrificing the people of the prairie provinces upon the altar of railway dividends, and will be treating as a "scrap of paper" a contract, the validity of which has never been questioned for 27 years.

Mr. King has been very enthusiastic in discussing the record of his government on additional 2 1/3 cents a pound duty on 85 per cent. of all the raisins and currants consumed in Canada. It also means that the price on all raisins consumed in Canada will be increased.

It is reported that the production of raisins in Australia has increased enormously, and it is true that our importations from Australia are increasing rapidly. In the five months ending August 31, we imported 96,544 pounds of raisins from Australia as compared with 29,500 pounds for the whole of the preceding twelve months. But even this increased quantity is less than the one-hundredth part of what we import from the United States, importations thence for the same period this year being 9,710,410 pounds. The increased importations from Australia does, however, prove one thing; without any special tariff advantage the Australians are finding a market for their raisins in Canada. When they can thus compete with those already in the market, why did the government voluntarily agree to tax the Canadian consumer for the benefit of the Australian producer?

Speakers in U.S. Campaign Quote C.N.R. Both Ways

From Our Own Correspondent.

MONTREAL.— Canada's railway problems are figuring in the United States presidential election. The Lafollette-Wheeler handbook, issued to guide speakers in the Progressive campaign, urges public ownership of all the railways and other utilities in the United States. It states: "The Canadian government railways last year showed an operating surplus of $20,236.563," and states that this proves the efficiency of nationalization of the railway lines.

To this statement, the old line parties have replied with an analysis to indicate that the net income deficit of the Canadian National Railways in 1923 was $51,697,695, which would have been $70,000,000 had interest charges on the Intercolonial and Transcontinental railways been added instead of being paid directly by the Dominion goverment. It is also pointed out that the average wage paid by the C.N.R. was $1,421 in 1923, while in the United States the railways paid wages averaging $1,619.

Lafollette's proposal to nationalize the railways has brought a striking reply from Secretary of Commerce Herbert Hoover. Hoover brands the Lafollette proposals as ultra-socialistic and beyond the dreams even of Soviet Russia. The proposal would involve adding 2,700,000 employees to the government service to operate $40,000,000,000 of enterprises, with an annual operating budget of $10,000,000,000 and bond interest charges of $2,000,000,000. It would rob the public treasury of annual taxes of $600,000,000.

Secretary Hoover stated that classic example of public ownership service is in transporting the mails, and, under government operation, mails are carried at 25 per cent higher cost than if they were under private control. "Bureaucracy is the dead hand on business," said Hoover. parties have repli e diwthna

Millionaires and Industry

The Darling Digest, a little monthly paper produced by Darling Brothers of Montreal, tells of a Canadian millionaire, who, during 1923, withdrew three million dollars which he had invested in industrial stocks in Canada and placed it in bonds. His reason, he said, was that he considered Canadian industrials so badly managed that the money invested in them was no longer safe.

The Digest, criticizing this adds that "it appears to be the settled policy of most of our wealthy men to withdraw as much as possible from constructive enterprise as early as they can, despite the certainty that in so doing they are not dealing fairly with their country." Says the article:

"The onus, therefore, of developing Canada for Canadians lies with such Canadians as have the means. If they lack the enterprise and the courage the only source left is the promoter and stock-jobber. He is an undesirable because he has to burden his development so heavily with watered stock that its chances of success are slight unless the ultimate consumer is gouged twice the sum he ought to pay for the product.

"Wealthy and successful men, if they lack confidence in Canadian industry, owe it to the country to right conditions instead of flying to the sanctuary of tax-free bonds and a safety deposit vault. Canada has given them their stake and Canada has a right to expect of them reciprocal service in the making of this a prosperous and progressive country."

The article is interesting in revealing some unwillingness on the part of wealthy investors to participate in industrial financing. The situation is not regarded by investment bankers as seriously as the writer of the article takes it. And it may be suggested that he has entirely overlooked the real root of the trouble—burdensome taxation—which has caused the transfer of capital from productive enterprise to tax-free bonds and safety-first investments.

Perhaps the better appeal for capital is not one based on patriotism, but on the sound foundation of reduced taxation in order that the industrial investors shall retain a sufficient portion of his profits to compensate him for the risks he assumes.

Eliminating Luck From Investing for Profit

Bernard M. Baruch, one of the most successful figures Wall Street has ever produced, says that there is nothing mysterious in his success; he doesn't believe in luck, and he says he has never gambled. "Rather than refine speculation, as the word appeals to me," he is quoted in Liberty, "let me ilustrate. One considers buying the securities of an industrial establishment. What is the first thing to be done? Speculate in the sense that, having what is called a tip, you buy and sit by the ticker to await results. No.! Instead, one does best to call upon his experience, and carefully study that particular industrial situation, and the money market—whether financial inflation or deflation approaches; what technical or psychological conditions obtain. That done, experiene should advise to buy or not to buy. But most important of all is to find out if the business is well and honestly managed.

"Think of this! How does the great physician know almost by looking at a man whether that man is sick or not? That is his hunch. He takes his temperature; his blood pressure. Then he speculates as to the cause of the condition, and the remedy. So with the lawyer and the engineer. If they get their facts right and then speculate along sane, logical lines, they get the right answer."

RE-SETTLEMENT OF DRY AREA FARMERS

(Farm and Ranch Review)

A dispatch from Ottawa indicates that the Minister of the Interior has a plan for the re-settlement of the dry areas of Eastern Alberta and Western Saskatchewan. The plan has merits in many respects. The annual overhead ever, have to be made restricting the cost of the irrigated area would not be prohibitive if the estimate of $7.00 per acre is correct. Provision would, hownew owners of the "dry" lands from disposing of them or breaking them up in perpetuity. Otherwise, with the advent of the first series of wet years, these lands would be disposed of to farmers and history would repeat itself. That is as certain as anything can be. Those of us who lived in the West in the days when a man was considered insane who would attempt to grow wheat west of Brandon, and have watched the colonization of this vast country, entertain no doubt on that point.

NEW ISSUE

$1,000,000

Cosmos Imperial Mills, Limited

Head Office: Hamilton, Ont.

20-Year 6½% First Mortgage Sinking Fund Gold Bonds

Dated 15th November, 1924. *Due 15th November, 1944.*

Principal and half-yearly interest coupons (15th May and November), payable in current gold coin of Canada or its equivalent in lawful money of Canada at the holder's option at any Office or Branch in Canada of the Bank of Nova Scotia. Bonds may be registered as to principal.

Denominations; $1,000, $500 and $100.

Provision is made for a yearly sinking fund, commencing 1st March, 1926, sufficient to redeem over 70% of the total issue before maturity.

Callable in whole or in part at the Company's option on any interest date on sixty days' prior notice at 105 and accrued interest, up to and including 15th November 1929; 104 and accrued interest from 15th May 1930, to 15th November 1934, inclusive; at 103 and accrued interest from 15th May 1935, to 15th November 1939, inclusive; at 102 and accrued interest from 15th May 1940, to 15th May 1944, inclusive.

Trustee: The Royal Trust Company, Toronto.

CAPITALIZATION	Authorized	Outstanding
Common Stock	$2,000,000	$2,000,000
First Mortgage Bonds (this issue)	1,000,000	1,000,000

Information Supplied by the Company:

1. **Business:** Cosmos Imperial Mills, Ltd. (Dominion Charter) will own and operate two modern heavy cotton duck manufacturing plants, known as Imperial Cotton Co., Ltd., Hamilton, Ont., established in 1900, and Cosmos Cotton Co., Ltd., established in 1883, as the Yarmouth Duck & Yarn Co., Ltd. The Companies manufacture the heavier grades of cotton duck used for cotton paper dryers, mechanical belting and hose, railway car roofing, binder canvases, tarpaulins, tents, awnings, filters, vessel sails, etc. The output is sold almost entirely to manufacturers, cutters-up, railways and paper makers. The equipment consists of 39,611 spindles and 243 looms.

2. **Assets** as at June 30th, 1924, after present financing:

Fixed Assets, including real estate, plant, machinery and equipment $2,112,439

The Hamilton and Yarmouth plants will be carried on the books at the conservative valuation of $2,112,438.64, although the value of these, after deducting depreciation, is given as of January 1st, 1924, by Lockwood, Greene & Co., Engineers, at $2,531,807.

Net Current Assets (after deducting all current liabilities) 1,101,660

Total Net Assets $3,214,099

(Over $3,214 for each $1,000 of bonds of this issue outstanding.)

3. **Earnings:** After providing for depreciation and Government taxes:

Eight-year average, 1916-1923, inclusive $315,846.51
(4.85 times bond interest requirement)

Five-year average, 1919-1923, inclusive 306,797.00
(4.71 times bond interest requirement)

Year ending Dec. 31st, 1923 .... 354,171.61
(5.44 times bond interest requirement)

The net earnings for the six months ending June 30th, 1924, amounted to $112,201, or at the annual rate of 3.45 times the bond interest requirement.

4. **Security:** The bonds of this issue will be secured by a specific first mortgage on all the fixed assets of the Company (except the Yarmouth office building appraised at less than $15,000, the Company's interest in which, however, will be mortgaged hereunder) and are a floating charge on all the current assets.

The Trust Deed will provide that while any of the bonds of this issue are outstanding the Company shall not, through payment of dividends or other distributions to its stockholders or by purchase or redemption of any of its capital stock, voluntarily reduce its net current assets as therein defined below 90% of the amount of bonds of this issue then outstanding, or $750,000, whichever amount is greater.

5. **Insurance:** The Trust Deed will provide that the Company shall maintain insurance, payable to the Trustee, on its fixed plants and equipment at not less than one and one-half times the amount of bonds outstanding. Insurance at present in force on plants, equipment and stock, amounts to $3,025,000. In addition to the above Trust Deed requirement, Use and Occupancy insurance is at present carried to the extent of $550,000.

We have purchased and offer the above issue when, as, and if issued and received by us, subject to approval of all legal details by Messrs. Blake, Lash, Anglin & Cassels, Toronto, and as to titles by Messrs. Gibson, Levy, Scott & Inch of Hamilton, Ontario, and Messrs. McInnes, Jenks, Lovett & MacDonald, Halifax.

PRICE: 99 and accrued interest, yielding 6.57%.

We recommend these bonds as an investment.

Temporary bonds or certificates will be ready for delivery about November 20th, 1924. Orders may be telephoned or telegraphed to any of our offices at our expense.

A. E. AMES & CO.

Investment Securities

UNION BANK BLDG. - - - - TORONTO
TRANSPORTATION BLDG. - - MONTREAL
74 BROADWAY - - - - - - - NEW YORK
BELMONT HOUSE - - - - VICTORIA, B.C.
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The statements contained herein are based upon information which we believe to be reliable, although we cannot guarantee their accuracy.

Current Opinion

WEST IN FIGHTING MOOD

Medicine Hat News:—In over-ruling an Act of Parliament, the Board of Railway Commissioners has got out on thin ice and is also creating a very dangerous precedent in calling off an agreement in which the Dominion has paid up its obligations in full and the railways only in part. The West will not lie down quietly under the conditions and the fight against the Crow's Nest ruling promises to be a long and a bitter one.

QUEBEC SAYS A WORD

Quebec Chronicle:—The demands (of the Progressives voiced by the Grain Growers' Guide) are all made, not for the general benefit of the country, or even with the slightest suggestion that they may do any good to the people in other parts of the Dominion, but because the West insists upon them and now that it has the opportunity, is "calling the tune." The Right Honorable General Manager of the Dominion is being literally "held up," and the worst of it is that he has already raised his hands half way up towards the sky. Another gentle little poke in the ribs with the Progressive gun, and he will let them turn his pockets inside out, on condition, of course, that they go "fifty-fifty" with him.

MAKING THEMSELVES HEARD

Manitoba Free Press:—There have been in the past plenty of party caucuses, of both parties, in which western opinion, voiced by western representatives, has been given mighty short shrift. The western group of members, necessarily in a minority, were allowed to talk in the vacuum of a carefully tiled caucus room. Then the steamroller was run over them. And the rest was silence.

As between being heard in parliament with results, and being heard in camera, without results, it is not difficult to choose.

It is for Mr. King to convince the West that membership in a party caucus will improve, instead of lessening, its influence in parliament.

GET EXPERT ADVICE

St. John Telegraph-Journal:— The man who is in business in a large way usually knows how to look after his money when he gets it. But there is a class not at all negligible who have difficulty in retaining what they have secured by inheritance or obtained only after a life-time of effort. To such their money is as precious as is their health. Why should they not not treat it with similar consideration? If they are threatened with sickness, they immediately call a doctor. When they are threatened with proffered investments dubious in character, why should they not look to the bond dealer and the stock broker whose training would enable the requisite judgment to be formed?

ONTARIO'S INTEREST RATE

Manitoba Free Press:—The Conservative party in Ontario, when in opposition, criticized the establishment of a provincial savings bank by the Drury government. It proved to be a rather popular venture, however, and the Ferguson government has continued it. The reduction of the interest rate may be taken by opponents of the government as an indication that it is not very friendly to the idea of a provincial savings bank, but on the other hand the fact that public loans can be obtained at a lower rate of interest must be considered, for neither the Ontario nor Manitoba governments established the savings banks primarily to give depositors a higher rate of interest, but rather to secure money at a lower rate for provincial purposes.

The great growth in deposits both in Ontario and Manitoba during the past year has been due both to the 4 per cent. interest rate and the recent bank failures, which caused some demand for greater security for deposits. If the interest rate is reduced, and if, also, the people are reassured in regard to the banks by the new government inspection, there may be a falling off in provincial savings deposits.

CALLS FOR A NEW DEAL

Nelson News:—Has the Railway Commission any right to abrogate a solemn covenant between a transportation company and the people of the West who are supposed to benefit from the covenant, unless the people give their consent?

Has the Commission any legal power to abrogate an act of parliament?

It seems eminently a case for a new agreement between the people concerned and the transportation companies. The people are entitled to benefits in return for concessions given the railway under the Crow's Nest Pass agreement, but the people should not demand any unfair benefits, the more particularly as unequal or unjust rates are in the long run as injurious to the real interests of the public as they are to a railway company.

It's a case for a new deal between the representatives of the people and the railway, a new deal which will fit 1924 conditions and be fair and just to both sides.

THE LARGER VIEW

Fredericton Gleaner:—The Railway Commission disallows the Crow's Nest Pass rates and requires withdrawal from operating within fifteen days. The Manitoba Free Press, which not infrequently runs riot in behalf of the notions of mere prairie province speculators, concludes that, as a result of the order, "a political struggle of great "bitterness and intensity may be fore-"told. We rather think the Crow's "Nest Pass agreement will constitute "the major politics for Western Canada "for the next ten years." Talk such as that is silly. It smacks too largely of the buncomb of the so-called Maritime Righters. The rates under the Crow's Nest Pass agreement were inequitable, discriminatory and preferential. They disrupted the freight rate structure and created choas and rate disparities, "without any parallel in the history of "freight rate making in Canada." To remove inequities and discrimination is to prepare the way for the maintenance of the national structure on a substantial basis.

A Complete Investment Service

As investment bankers we purchase, and offer our clients, high grade bonds and shares.

As members of the Montreal Stock Exchange, and having direct wire with members of the N.Y. Stock Exchange, we secure prompt execution of all orders in Canadian and American securities, whether buying or selling.

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Investors' Inquiries

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

DOMINION LIFE

H. S., Saskatchewan.—Do you consider the Dominion Life as good a company as Confederation, Sun or Aetna? Is chance of profits as good with them as others?

The Dominion Life, as well as the other companies you mention, is an excellent company to insure with. In the first place, the company has been established many years and its finances are in splendid condition, hence it is safe to insure with. It is impossible to say now which company may pay the largest dividends to policyholders in future years, as these depend on a number of things, including the expense rate of the company, the interest earned on investments, and the death losses over a period of years. These are highly satisfactory at present. The consideration of profits on the insurance should not be given as much attention as the choosing of the correct type of policy to suit your circumstances.

ILLINOIS POWER

B., Sherbrooke.—I would like your opinion of Illinois Power 7 per cent. preferred stock as a safe investment.

Illinois Power preferred stock is a well secured investment and one yielding the investor a return that is about as good as he can get on this type of investment at the present time.

MONTREAL TRAMWAY

Subscriber, Saskatchewan. — Have a thousand dollar bond of Montreal Tram. last issue. Am advised that it would be best to sell this and take stock in Atchison Railway, or American Telephone and Telegraph Co. Was intending only to exchange my C. P. R. for these stocks. Have good foundation of Victory bonds, Bell Telephone, Lake Share and some other small investments.

Your Tramway bond is probably the last issue of Montreal Tramway and Power Company. This is an exceptionally strong and well secured issue. American Telephone and Telegraph and Atchison are hardly in the same class. You will get a larger income by the exchange, but at the expense of solidity and definite assurance of income return. The exchange is not an even exchange of similar securities. This is not to warn you against the exchange, which is not without its attractions, and may be quite justified, but merely to insure that you are cognizant of all the circumstances of the exchange you contemplate.

Some investors are now switching their Bell Telephone for American Telephone and Telegraph in order to get the one per cent. higher yield and the several points difference in the present market value.

IMPERIAL RESERVE-HARKER GOLD

R. S. R., Ontario.—I hold 500 shares of Imperial Reserve. Would you buy more? How about Harker Gold?

Imperial Reserve is a promising prospect in Lightning River, strategically situated in this new camp, which seems possessed of opportunities. Harker Mines is a property that is attracting wide attention. It is being well handled, and encouraging success is being met with in development. Shareholders are assured of a good run for their money, with every prospect of substantial profits.

DERBY MOTORS

R. H. McL., Saskatchewan.—Will you kindly advise through your paper your opinion of the stock of the Derby Motor Company of Saskatoon as an investment?

Derby Motors of Saskatoon we regard as a highly speculative venture. It is entering a field that is highly competitive and must be able to hold its own with large, well-financed propositions which, as a result of years of operation, have built up highly efficient producing and selling organizations. Motor industry leaders seem agreed that the time is near when new sales will depend on the disposal of used cars. In other words that the number of new car buyers is rapidly narrowing down and future business will consist of replacements. In such a field large

(Continued on page 15)

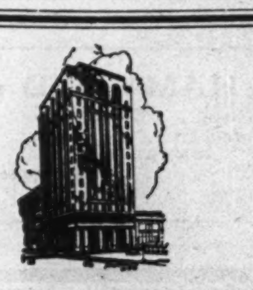
Our New Bond List Should Interest You

if you hold maturing Victory Bonds or if you have other funds to invest. It describes a wide selection of high grade Government and Municipal Bonds, and is compiled to meet the requirements of all investors. It also reviews the present market situation.

Write for copy.

36 King Street, West Toronto Telephone Main 4280

Wood, Gundy & Company



These Are The Reasons

why you should buy Northern Ontario Building 6½% First (Closed) Mortgage 15-Year Gold Bonds—

Real estate first mortgages are universally considered one of the soundest forms of investment.

Northern Ontario Building is located in the heart of the financial and central business section of Toronto, where demand for modern office accommodation is constant and real estate values are well established and are increasing.

Valuation of the security (land, building and equipment) exceeds by 65.5% the amount of the first mortgage.

Earning power of the property provides for a large surplus over bond interest.

Substantial half-yearly sinking fund instalments will steadily reduce the bond issue, thereby increasing the margin of security.

Directors and chief shareholders of the company include outstandingly successful Toronto business men, who have an intimate knowledge of real estate and business conditions in Toronto.

Completion and delivery of the building, fully equipped, by August 1, 1925, is assured by guarantee bond of the owners and contractors, in favour of the trustee for bondholders.

You will obtain an annual income return in excess of 6.65% by purchasing the bonds from us at the issue price of—

$492.50 for a $500 Bond, or
$985.00 for a $1,000 Bond.

Royal Securities Corporation

Limited

MONTREAL TORONTO HALIFAX ST. JOHN
WINNIPEG VANCOUVER

For Reinvestment

On November 1st $107,000,000 Victory Loan Bonds will be redeemed in cash. The refunding loan of $50,000,000 was rapidly subscribed and the large majority of holders of maturing bonds must place their funds elsewhere. It is essential that they seek the greatest annual return consistent with absolute security.

Province of Ontario 5% Bonds, Due Oct. 15, 1948. Price: 102.83 and interest

satisfy every requirement, and we will pay the market price, at present about 100.20 and interest, for 1924 bonds in exchange for this security.

Denominations: $1,000 and $500

Gairdner, Clarke & Co.

312 Bay Street, Toronto — Dominion Express Bldg., Montreal

Harold A. Tubby & Company Limited
Investment Bankers
Government, Municipal and Corporation Bonds
Mining Claims in Northern Manitoba for Sale
Correspondence solicited
PARIS BLDG. WINNIPEG

We own and offer

Cosmos Imperial Mills
Limited

6½% 1st Mortgage Sinking Fund Gold Bonds

Dated 15th Nov., 1924 — Due 15th Nov., 1944

Denominations—$500 and $1,000

Interest payable 15th May and 15th November each year.

Bonds may be fully registered or registered as to principal only.

This Company was established in 1883 as the Yarmouth Duck & Cotton Company and has purchased as a going concern the Imperial Cotton Company, Limited, of Hamilton, Ont., which was established in 1900. That both Companies have been successful is evidenced by the fact that the earnings over a period of years have been equal to more than four times the Bond Interest requirements.

At 99 and Accrued Interest, the Yield is 6.57%

We recommend these Bonds as a sound investment.

Fully descriptive circular will be furnished on request.

JOHNSTON AND WARD
Canada Trust Bldg., 14 King St. East, Toronto
Members: Montreal Stock Exchange—Toronto Stock Exchange

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - - - $6,500,000

OSLER, HAMMOND & NANTON
WINNIPEG
Stocks and Bonds
Insurance
Mortgage Loans
Farm Lands

Cash or Bonds

For all Victory Bonds due November 1, 1924, paid on delivery at our office
OR
For reinvestment of your funds in safe, sound bonds yielding up to 7½%.

Write for
Specially Recommended Offerings List
now ready, giving wide choice of Government, Municipal and Mortgage Bonds.

Buy Your Bonds From Our Special Bond Telephone Order Department.

Telephone Main 7400

G. A. STIMSON & CO. LIMITED EST. 1883
The Oldest Bond House in Canada
24-26 KING ST. EAST — TORONTO

CLARKSON, GORDON & DILWORTH
CHARTERED ACCOUNTANTS
E. R. C. CLARKSON & SONS
TORONTO — MONTREAL
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST — TORONTO

News and Views of Bond Market

THE LOW YIELDS WIDEN INTEREST IN INVESTMENTS

More Attention by Small Investors in the Industrials

Interest in bond circles centres around the distribution of funds by the Dominion Government in connection with Victory issue due November 1. However, there is no reason to believe that there will be a sudden flood of money for investment even though it is estimated that perhaps not more than $25,000,000 of the total of $107,000,000 was renewed and that there is a dividend and bond interest distribution for the month estimated by THE FINANCIAL POST at about $46,200,000. Institutional funds are usually placed in advance while as regards the small investors there is a tendency to go slowly in the matter of reinvesting, especially when yields are on a basis where high class bonds have lost their attraction from the standpoint of income. Under these conditions the market is easier and bonds are being more freely offered.

For some weeks then it is expected that there will be a considerable volume of funds coming into the market and the investment houses are directing their selling campaigns to induce those who have held government bonds to reinvest in something sound. However, in view of the present yield in government and municipal issues there is a broadening interest in industrial bonds and also in the better investment stocks. With a large number of investors, the latter class of securities represents a fairly attractive proposition when the comparative interest returns are taken into consideration. Dominion Government bonds yielded on the average around 3.90 per cent. in 1914, whereas the current yield is approximately 4.90 per cent. Taking Dominion, provincial and municipal bonds together, the average yield now is close to 5.15 per cent. In the face of these yields good industrial bonds or preferred stock yielding 5½ to 7½ per cent. are receiving consideration from those desiring to maintain income. The situation is encouraging for the flotation of new industrial issues under these circumstances.

As for the general trend of the market the price of money is recognized as a dominating factor. This continues low, but any indication of an increasing demand for funds finds reflection in the tone. The German loan in the United States having been a success France and Belgium are coming into that market. So far this has had little effect on the money supply, but it is felt that a continuance of these foreign flotations with attractive interest rates will be an influence on the rates for domestic flotations. If the banks can find better employment for their funds than bonds, of which they now have large holdings, the effect on the bond market might be far-reaching. Discussing the situation, the National Bank of Commerce in New York says:

> Bonds have felt the influence of suspended judgment on the course of money rates. Pending further light on their movement, discussion of the trend of securities is difficult. It probably continues true that while bonds for temporary investment do not appeal at the moment, for permanent investment present levels are not necessarily unattractive.
>
> Business loans, like business conditions, have been dragging on a low level for a long time. The improvement in business already is reflected in a moderate expansion of commercial loans and discounts of reporting member banks. From the low point of July such loans have increased about $325,000,000 to a total of $8,145,000,000. Moderate as is the gain, money rates have latterly become a bit more sensitive to demand than had been the case for some time. As and when business requirements absorb larger amounts, the shifting of bank funds to commercial uses should result in firmer rates.

Northern Mexico Power Bond Issue Offered

Northern Mexico Power and Development bonds are being offered by Kippen & Co., Montreal, at par. The issue is for $500,000, 7 per cent. first mortgage bonds due 1923. The company, controlled in Canada, shows net earnings for the first eight months of this year of $333,104, which shows that the company is earning its bond interest approximately fourteen times over. Assets of the company are higher. It is understood its properties have cost to date $10,000,000, or twenty times the value of the bonds outstanding. The power plant at La Boquilla on the Conchos River in the State of Chihuahua, Northern Mexico, has a capacity of 20,000 h.p., serves a rich and growing district where it is without competition.

Severe Sentences in Ontario Bond Scandals

The seriousness of the violation of positions of trust on the part of public officials has been brought out during the last week in the sentences which have been imposed on Peter Smith, former provincial treasurer, and his deputy, Charles Matthews. for their parts in the Ontario bond scandals. The former was sentenced to three years, and, with Aemilius Jarvis, convicted of conspiracy in the same connection, faces a fine of $600,000, while the latter was given a two-year term.

The count on which Matthews was convicted, involved the acceptance of one-third of the profits on certain sales of succession-duty-free bonds to the government. He was found not guilty on four counts for conspiracy.

BONDS NOT TO BE PAYABLE IN N. Y.

Toronto in Doing so Would Gain No Advantage in Bond Issue

When Finance Commissioner Ross of Toronto asks tenders on Nov. 6 on $10,000,000 serial 4½ per cent. bonds, they will be payable in Toronto and London, Eng., only. New York will not be included as the commissioner says that with exchange at par and the Toronto and New York bond markets on a dead level, no advantage is to be gained by making the issue payable in New York also. On the other hand the city would assume an ever-present liability for the life of the bonds with respect to exchange. Mr. Ross is confident that with the maturity of one of the Dominion loans November 1 and the releasing of $40,000,000 or $50,000,000 the city would be very likely to get its money at a low record price.

TORONTO RAILWAY COST $50,000,000!

Toll on City Much Larger Than Expected — Higher Fares Are Possible

Will Toronto street car fares be jumped to 8 cents around the end of the year? There is considerable gossip about such a move, and this has become stronger now that the final cost of the original system to the city has been decided.

The railway is costing the city a great deal more than was first anticipated. The city estimated that the Mackenzie system could be secured for about $3,000,000. The most pessimistic of the city's experts said $8,000,000, whereas, now that the final curtain on the price fixing has been rung down, the price is around $12,000,000. In the meantime, there has been a lavish expenditure on the part of the city on rehabilitation, betterments, and extensions, until it is now being conservatively estimated that the capitalization of the system is just under $50,000,000.

It has been stated that the constant drain on the transportation commission for capital charges has run costs up to the point where they are exceeding the revenue. The award will add to the drain. This has, no doubt, fathered the gossip about higher fares.

Issue of Cosmos Mills Offered by Ames & Co.

An issue of $1,000,000, 20-year, 6½ per cent., first mortgage bonds of Cosmos Imperial Mills, is being made by A. E. Ames and Co. at 99, and interest to yield 6.57 per cent. This company has plants at Hamilton, and Yarmouth, N. S., and produces heavier grades of duck, used for paper dryers, mechanical belting, hose, binder canvases, car tops, etc. These products are sold mainly on contract to large consumers—manufacturers, railways and paper makers. The nature of these accounts is said to be so satisfactory that losses from bad accounts have been less than $10,000 in the past eighteen years, though the total sales for 1923 alone were over $4,000,000. For the past eight years, 1916-1923, annual net earnings have averaged $315,846, or over 4.85 times bond interest requirement. For the year ending December 31, 1923, the earnings were $354,171, which is 5.44 times bond interest requirement.

Net assets are $3,214,099, which is equal to over $3,214 for each $1,000 bond of the present issue. The plants are carried at the valuation of $2,112,438, although the value of these, after deducting depreciation, has been appraised by engineers at $2,531,807.

System in Hamilton City Hall is Ancient

Chaotic conditions in Hamilton City Hall are being revealed by the probe being made into defalcations. The system employed has been used "from time immemorial," says the probing auditor, and as progress is made the losses pile up. There is a difference of opinion as to whether the treasurer or auditor was responsible for checking cash books. The auditor found that cashiers there do not keep their own cash books. After they have receipted the stubs, these are removed to another part of the office, and the payments credited on adding machines. This total determines what cash a cashier must turn over. He reported finding large discrepancies in the books of the tax department and the treasurer's department as regards arrears, penalties and interest. No penalty or interest, it appeared, was charged by the city treasurer to the tax arrears. In an attempted reconciliation of the arrears shown on the books of the tax department and payment of such on the books of the city treasurer's department, there was the sum of $127,000 out of balance. Poor bookkeeping and the apparent lack of any system of accounting between these two departments were responsible. No records were available prior to 1916 which would show how much in tax penalties and interest had been paid in the tax department.

UNDER ADMINISTRATOR

The municipality of Lawrence, Man., has been obliged to appoint an official administrator to take charge of its finances owing to failure to collect outstanding arrears of taxes. D. H. Payne, the present secretary-treasurer, has been appointed. In the last return made to the municipal commissioner, the outstanding tax arrears, including tax sale certificates and tax titles, amounted to $117,783. Its debenture indebtedness is $60,893 of which $48,641 was incurred for good roads, $11,000 in rural credits, and a general indebtedness of $1,152.

UNITED STATES RESERVOIR FOR FOREIGN CAPITAL

European Countries Look to America for Funds

NEW YORK.—Recent world events have made clear the fact that the United States is the principal nation to which other countries will increasingly look in the future for capital, either for the restoration of their financial and economic life, as in Germany, Austria, Poland and Hungary, or for the development of natural resources in such areas as South America and the Orient, states the current issue of the Guaranty Survey, published by the Guaranty Trust Company of New York.

The low interest rates now prevailing are only one reflection of the effect of our huge gold stocks on the economic life of this country. Moreover, the Survey says, the low rates not only emphasize the necessity for releasing part of our gold stocks, but also point to the fact that the most profitable, and, in an all-round sense, the most enduring relief is to be found in the purchase of foreign dollar bonds. Further:

> Foreign bonds, although they possess varying degrees of investment merit, are as a class selling at prices substantially below their intrinsic values. Obligations of sound governments are generally recognized as the standard of investment worth, yet we have the anomaly of good foreign government bonds selling to yield as much as 4 per cent. more than United States Government obligations. This discrepancy is due not so much to a positive distrust of the credit of foreign governments as to a lack of understanding of what should form the basis of sound governmental credit. The tendency to judge risk largely in terms of distance is certainly not based on sound reasoning and is gradually disappearing.
>
> **Recent Rise in Foreign Bonds**
>
> The recent pronounced rise in the foreign bond market, which carried some issues upward to the extent of 10 points in a few weeks, is indicative of a changing attitude. While the current ease in money rates, which drove the bond market as a whole to higher levels, is in part responsible for the rise in foreign bonds, it is noteworthy that after the impetus given by easy money conditions had largely spent itself the appreciation in the foreign bond list continued, and at an accelerated rate.
>
> To the virtual acceptance of the Dawes report and the general belief that it would be accepted, is given a large measure of credit for this advance. While there is reason to believe that the large and rapid rise incident to this event is practically at an end, there is a growing appreciation of the fact that conditions abroad are not so bad as they seemed, and are, in reality, on the mend.
>
> Further general improvement in European affairs, or any greater feeling of confidence on that score in this country, should aid foreign bonds as a class to a measurable degree, although those most affected by politics in Western and Central Europe are likely to fluctuate more widely. In any event, the American investor is gaining greater familiarity with and confidence in foreign investments, and this is a stabilizing influence which, from the long-term point of view, augurs better treatment for this type of issue.
>
> Thus far there has been little investment of American capital abroad in the securities of public utilities, industrial enterprises or plantations. Such investment as has been made is mainly represented by bonds of foreign governments. In recent years large sums have been placed in loans negotiated in the financial market of the United States by Belgium, Sweden, Austria, Japan, Argentina, Chile, Peru, Canada, the Dutch East Indies, and other countries.
>
> The nations of the world are now gradually but very definitely regaining a condition of prosperity. There is postive evidence of this in most countries to-day. The records of American foreign trade indicate it, as well as the stabilization of currencies which is taking place in every direction.
>
> Certainly the time would seem to have arrived for the American investor to play an important part in the world's financial and economic development, and surely he will not permit it to pass with indifference to its great possibilities. That his education is proceeding is proved by the record of very considerable foreign investment in recent years, and this investment interest will constantly tend to broaden in the future. The period of financial isolation of the United States, it is certain, has now been definitely closed.

Suggest That a Lower Interest Rate Will Come

Pointing out that from the $107,000,000 maturing Victory bonds it is probably safe to say that $85,000,000 of cash will come into the bond market for reinvestment around the first of November, that bond interest and dividends during October and November will reach approximately $80,000,000, that the harvesting of a good Western crop will swell the tide of capital seeking investment, and that the government is paying off obligations to the chartered banks which have large funds to invest, McLeod, Young, Weir & Co. express the opinion that as all this money will come upon a bond market relatively bare of bonds and prospective borrowing between now and the end of the year small, it is clearly evident that bonds will sell higher in the near future. The belief is expressed that as the 5 per cent. coupon rate has yielded place to the 4½ per cent. coupon rate this autumn, the return of the 4 per cent., and even of the 3½ per cent., coupon rate is but a matter of time.

GLACE BAY WITHHOLDS BONDS

SYDNEY.—Glace Bay has decided to refuse tenders of 92 for an issue of $8,000 water bonds. They take the ground that if Sydney Mines, which has labored for years under acute industrial difficulties, can get 96, the Glace Bay paper should be worth as much or more, and they refuse to sell under 95½.

We offer

ACADIA APARTMENTS
Limited,
6½% Bonds
Due 1 Sept., 1939
Price: 98.50 and interest

MATTHEWS & COMPANY
Limited,
255 Bay Street Toronto

WHY NOT MINES?
We recommend the purchase of KEELEY SILVER MINES, LTD., at current prices.
Ask us for particulars.
Members of Montreal Mining Exchange.
BALFOUR, WHITE & CO
LIMITED
136 St. James St., MONTREAL.

BURNETT PORTEOUS & COMPANY
Members Montreal Stock Exchange
17 St. John St.
MONTREAL

GOVERNMENT and MUNICIPAL BONDS
W. L. McKINNON & Co.
GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO
Telephone Adel. 3871

McDonagh Somers & Co.
Government and Municipal Bonds
Dominion Bank Building
TORONTO
Canada

CANADA STEAMSHIPS
We have prepared a special bulletin dealing with the present position of the above company.
Copy supplied free on request.
McCuaig Bros. & Co.
MEMBERS MONTREAL STOCK EXCHANGE.
83 Notre Dame St. W., Montreal

Dear Sirs:
Will you please send me, without obligation, your bulletin dealing with Canada Steamships.

F.P. ....

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BONDS
for
Safe Investment
Government, Municipal, Public Utility and Industrial Bonds.
Selected with careful regard to safety, dependable income and marketability.
Write for List.
HANSON BROS.
Investment Securities
160 St. James St. Montreal — 63 Sparks St. Ottawa

TO RE-INVEST their funds with an attractive interest return, without sacrificing security, will be the desire of many investors who have Bonds maturing at this time.

We offer a diversified list of high grade bonds, in the various classes, all of which bear our recommendation as sound investments.

This list is contained in the November issue of our booklet, "Investment Securities," a copy of which will be sent, on request, by The National City Co., Ltd., Head Office, 112 St. James St., Montreal, or the Toronto office, 10 King St., E.

THE NATIONAL CITY COMPANY CANADA

Northern Ontario Building, Limited
6½% Bonds
Due October 1st, 1939
Price
98½ and accrued interest, to yield over 6.65%

R. A. DALY & CO.
Members Toronto Stock Exchange
BANK OF TORONTO BLDG. TORONTO — 50 CONGRESS STREET BOSTON

We wish to announce that
DEE. M. ROBERTS
FORMERLY MANAGER OF MACKAY & MACKAY INVESTMENT BANKERS
HAS BEEN APPOINTED
GENERAL MANAGER
OF THE
TORONTO BOND EXCHANGE
LIMITED

OSLER & HAMMOND
Stock Brokers and Financial Agents
Members
Toronto Stock Exchange
Montreal Stock Exchange
21 JORDAN STREET - TORONTO

Reinvest Wisely
The safe investment of your surplus funds is a supreme consideration. Government and Municipal Bonds combine safety of principal with prompt payment of interest and ready marketability.
Let us advise you
Municipal Bankers Corporation
LIMITED
34 King Street, East, Toronto

RED DEER BRAND — MUSKOKA WOOD MFG. CO. HUNTSVILLE LIMITED ONTARIO

WE manufacture Birch, Maple and Oak Flooring of exceptional merit, our specialty being Red Deer brand Birch Hardwood Flooring.

Muskoka Wood Mfg. Company,
LIMITED
Huntsville, Ontario
Branch Office: 212 McGill St., Montreal, Quebec

MACKENZIE FIRM REORGANIZING

W. A. Mackenzie & Co., Toronto investment house, is closing down in order to effect a reorganization. W. A. Mackenzie, the senior partner, says that the company is not going out of business and intimates that operations will be resumed when the new arrangements have been completed.

An immediate start on the Ontario Government's new $2,000,000 office building, which is to occupy a whole block on the east side of Queen's Park, opposite the Parliament Buildings, is announced by Premier Ferguson and Hon. George S. Henry, minister of public works.

Municipal and Provincial Finance

HYDRO OFFICERS ARE ACCUSED BY BECK SECRETARY

Manipulation of Accounts to Benefit Individuals Charged

Careless extravagance and the manipulation of expense and other funds to the benefit of officials are in effect the basis of the charges made against the Ontario Hydro by E. C. Settell, so far as they were read at the initial sitting of the judicial inquiry before Judge Snyder at Hamilton last week. The charges were formulated from the letter sent by Settell to Sir Adam Beck after he decamped with the proceeds of the unauthorized cheque amounting to about $30,000. Settell refused to either confirm or deny them, and the hearing was adjourned to November 3. Counsel for Sir Adam Beck and other Hydro officials asked that the charges be not read until those mentioned had had an opportunity of presenting their reply at the same time. The court, however, proceeded on the ground that the Hydro was a public enterprise, and that the people were directly interested. The adjournment was made when Settell continued to refuse to answer. The eight charges read follow:

1. That the staff of the Hydro Commission was for months at a time in 1908 working from one-half to two-thirds of the time on Sothman's private work.

2. That the chief engineer's recommendation of July 22, 1908, in favor of the acceptance of the McGuigan tender for construction of the Niagara power line was absolutely forced and that Sothman and Gaby desired to have this fact made public in the press: That they stated that Muralt's tender was cheapest and lowest.

Expenses Paid by Hydro

3. That all expenses of Machlett & Co.—owned by Sothman—were paid by the Hydro Power Commission. Cites voucher 288 as one instance.

4. That in 1908 Sothman, while employed by the Hydro Commission, took a contract with the approval of Sir Adam Beck, to instal heating equipment in the building of the Robert Simpson Co. of Toronto, and that the complete staff of the Hydro Power Commission worked for months at a time at such work;

Also, in respect of consulting work at Hamilton, the commission paying all expenses and wages, cites voucher 382 as one of the heavy expense accounts in such connection.

Trips Charged, Not Taken

5. That half of the trips charged for by Sothman were never taken at all, and that in respect of the trips taken he charged expenses for two persons, irrespective of whether he travelled alone or Gaby paid the expenses of the trip.

Re administration of commission:

1. That his notes will show an unchecked encroachment of greed, waste of public money and exploitation of the Hydro for the personal aggrandizement of one man.

2. That on June 7, 1909, the sum of $1,500 was paid to one W. H. Whitehead of Hamilton to get a by-law passed there, and that such amount was paid through A. F. Lobb, Toronto, and charged by Lobb as part of the cost of right-of-way.

3. That in 1911, McLary & Co. of London, although the highest bidder, obtained a contract for signs on the right-of-way.

4. That in 1912 there was a shameful waste of money re election in Hamilton.

Tenders and By-laws

(Tenders Wanted)

Nov. 1, School Municipality of Decarie, Que.—$9,200, 6 per cent., 1-10 yr. debentures of school commission of Decarie. Henri Berthiame, secretary-treasurer, Ferme Neuve, Que.

Nov. 1, Ferme Neuve, Que.—$9,200, 6 per cent., 15-year serial bonds. H. Berthiaume, sec.-treas.

Nov. 3, Preston. — $101,816, 5½ per cent., 20-instalment local improvement debentures. Geo. Wurster, town clerk.

Nov. 3, Lachute. — $60,000, 5½ per cent., 30-year bonds. J. A. Rice, Sec.-Treas.

Nov. 3, Village of Amos, Que.—$35,000, 5½ per cent., 10-year bonds, Benoit Trudel, Sec.-Treas.

Nov. 3, Megantic, Que.—$75,000, 5½ per cent., 10-year bonds. D. L. Lippe, town clerk.

Nov. 3, Giffard, Que.—$55,000, 5½ per cent., 10-year bonds; $5,000, 5½ per cent. serial bonds. Jos. Drouin, Sec.-Treas.

Nov. 3, Scarborough Twp. — $75,000 hydro, $12,000 bridge, 5½ per cent., 20-instalment debentures. J. T. Stewart, twp. treas., Birch Cliff.

Nov. 3, Halton County.—$159,700, 5 per cent., 20-year debentures. W. Panton, county clerk, Milton.

Nov. 4, St. Augustine. — $20,000, 5½ per cent., school bonds, redeemable 1945. J. O. East, Sec.-Treas.

Nov. 6, Toronto. — $9,971,000, 4½% bonds, payable in Toronto and London, Maturing as follows: $107,000, 30-year serials; $9,714,000, 20-year serials; $150,000, 10-year serials.

Nov. 6, Richmond, Ont.—$25,000, 5 per cent., 30-instalment school debentures. J. Hemphill, clerk.

Nov. 10, Aylmer, Que.—$69,500, 5½ per cent., 10-year bonds. E. Maubach, secretary-treasurer.

Nov. 10, Carleton Place.—$51,828, 5½ per cent., 30-year, waterworks and high school bonds. H. Nicholson, clerk-treas. (See announcement on page 16).

Nov. 11, St. Lambert, Que.—$85,000, 5 per cent., four-year bonds. B. Rousseau, secretary-treasurer of the dissentient school commission of the town of St. Lambert, Que.

By-laws

City of Toronto, Street Railway bonds, $7,900,000; Hydro expansion, $3,119,000 and $107,000. The latter two by-laws are to replace by-laws passed earlier in the year and which specified 5 per cent. coupons. The new by-law is 4½ per cent.

Municipal Notes

INVESTIGATION ASKED

The Carleton county council have decided to ask for an investigation into the municipal affairs of the township of Osgoode. The request for an inquiry was contained in a report of the roads and bridges committee which made special mention of pay sheets, contracts and expenditures from 1920 to August, 1924.

TORONTO'S GASOLINE VENTURE

Toronto will apply to the Legislature for powers to purchase, distribute and sell gasoline, and, without a vote of the people, raise $50,000 by the sale of bonds to finance the undertaking. City Solicitor Johnston advised the committee that there would be little chance of securing the legislation unless the city stated how it intended to finance and operate the project, and it was for this reason that the $50,000 amount was named.

TOWNSHIP ON SOUND BASIS

The Township of Kingston has cleaned its house, financially speaking, and has now a surplus of $4,000 on hand. When the present administration took office there was an obligation of $27,000 to the County of Frontenac with interest at 8 per cent., as well as $5,500 owing to the bank at 6 per cent. At the same time there was a fund of $18,000 in the bank drawing no interest.

This Week's Bond Sales

HULL COUNTY, QUE.

McLeod, Young, Weir & Co. were successful bidders for the $16,000, 5½ per cent. 20-year debentures of the county of Hull, Que., on a tender of 103.57.

DONNACONA, QUE.

Provincial Securities Co. were awarded the $80,000, 5½ per cent. 10-year serial bonds of the school commission of Donnacona, Que., on a bid of 100.28. The tenders included:

Provincial Securities Co.	100.28
Rene T. Leclerc Inc.	100.25
Hamel, Mackay, Ltd.	100.16
Bray, Caron & Dube	100.13
Versailles, Vidricaire & Boulais	99.01
Credit, Canadien Inc.	98.50

VILLAGE OF ST. JOSEPH, QUE.

Rene T. Leclerc Inc. were successful bidders for the $11,000, 5½ per cent. 1-20 year bonds of the school commission of the village of St. Joseph, Que., on their tender of 100.25. The bids included:

Rene T. Leclerc Inc.	100.25
Bray, Caron & Dube	100.01
Union of St. Joseph de St. Hyacinthe	100.00
Versailles, Vidricaire & Boulais	99.01
Credit Canadien Inc.	99.00

WESTMOUNT, QUE.

Harris, Forbes & Co. and Hanson Bros. were awarded the $200,000, 5 per cent. serial bonds, maturing 1924-1964, of the City of Westmount, Que., on their bid of 101.29. Included in the tenders were:

Harris, Forbes & Co., and Hanson Bros.	101.29
Wood, Gundy & Co.	100.98
Gairdner, Clarke & Co.	99.74
Versailles, Vidricaire & Boulais	99.70
A. E. Ames & Co.	99.63
Dominion Securities Corp.	99.61
Rene T. Leclerc	99.50
McLeod, Young, Weir & Co.	99.33
Credit Canadien Inc.	99.26
C. H. Burgess & Co.	99.06
National City Co.	98.81

VALLEYFIELD, QUE.

McLeod, Young, Weir & Co., with a bid of 101.23, were the successful tenderers for the issue of $175,000 City of Valleyfield, Que., bonds. The offering was made up of $165,000, 5½ per cent., 10 years, and $10,000, 5½ per cent., 5-year bonds. The bids:

McLeod, Young, Weir & Co., Ltd. 101.23
Mead & Co., and Greenshields

	10-year	5-year
McLeod, Young, Weir & Co.	101.23	101.23
Mead & Co.	101.17	....
Greenshields & Co.	101.17	100.07
Municipal Deben. Corp.	100.93	99.77
Credit, Canadien Inc.	100.81	100.51
Versailles, Vidricaire & Boulais	100.79	100.26
Wood, Gundy & Co.	100.71	100.27
Rene T. Leclerc, Inc.	100.50	100.00
L. G. Beaubien & Co.	100.26	100.26
Dom. Securities Corp.	100.06	100.06
A. E. Ames	99.53	99.53

URGES REDUCTION IN CIVIC PAYROLLS

Former Edmonton Commissioner Also Advises Lower Assessment

An interesting contribution to the study of public administration and finance is contained in a special report on the finances of the city of Edmonton, prepared by C. J. Yorath, until recently city commissioner.

The outstanding recommendations of the report are that there should be a further reduction of $10,000,000 in the assessed value of land, and that there should be a reduction of expenditures to the extent of $432,000, so as to obviate an increase in the mill rate. In regard to the former, Mr. Yorath states that "after a careful study of valuations throughout the city, with the view to adjusting same, it will be necessary in 1925 to make a further reduction of approximately $10,000,000, which includes the value of lands reverting to the city as a result of tax sale procedure. With this opinion the city assessor fully concurs. This is an adjustment which cannot be avoided. The city is already threatened with an action to upset the whole of the assessment, for the reason that it is upon a fictitious basis. "If the above reductions and adjustment are not made," Mr. Yorath proceeded, "or if the city is unable to obtain other sources of revenue, then, with a reduction of $10,000,000 in the assessment, which cannot be avoided, the tax rate will have to be increased by seven mills."

In summing up the actual financial situation of the city, Mr. Yorath states his conviction that further capital expenditures must be discontinued until warranted by new development. This, he admits, is unfortunate in a city which is the owner of so many public utilities, since it will be unable to give the best and most efficient service, under curtailment. In analyzing the sinking fund, it is pointed out that the city cannot legally use the sinking fund in the reduction of its bank loan. This fund, on the other hand, should be maintained intact at all times for the purpose for which it is accumulated. In respect to expenditure, it is urged by the writer of the report that a reduction of an additional 7 per cent. should be made in the payrolls of all civic employees, including the school, library and hospital boards, and that much economy could be effected by the amalgamation of departments.

SURPLUS FOR LONDON

According to information given out by Mayor Wenige, the city of London will have a surplus this year of $20,000 in the combined departments of the city.

"I am sure we will have a surplus of $20,000, which is double the surplus we made last year," Mayor Wenige declared, "and this is no idle statement. I make this prediction after having made a careful survey of the entire situation. Unless something quite unforeseen happens between now and the end of the year, we will close our books with $20,000 to the good."

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	97¾	..
Alabama 5% 1962	82	..
Algoma Steel 5% 1962	34	35
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	97	97½
Brand.-Henderson 6% 1939	90	..
Burns, P. & Co. 6½% 1943	98¾	99¼
Can. National Rly. 5% 1954	100¾	101¾
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	96¾	97
Can. Light & Power 5% 1949	..	76
Can. Pacific Rly. 5% 1934	99¼	99¾
Can. Steel Foundries 6% 1936	98¼	..
Dom. Iron 5% 1939	61½	63
Dom. Power 5% 1932	95	96
Dom. Textile 6% 1949	103	..
East Koot. Power 7% 1942	100½	102
Fraser Co. 8% 1941	106	107
Frontenac Brewery 6% 1951	87	87½
G.T.P. Sup. 4% 1955	74¼	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	91½	92½
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	97¼	98
Laurentian Power 6% 1936	96½	..
Maple Leaf Milling 6½% 1943	101½	..
Maisonneuve 5% 1954	99¼	..
Man. Power 7% 1941	99¾	100
Mattagami 7% 1949	25	..
Montreal Pub. Ser. 5% 1942	90¾	..
Montreal Steel W[illegible] 6% 1940	100	..
Province of Ontario [illegible]% 1948	100¾	101¾
Nor. Ont. Power 6% 1931	94½	96
Ontario Pulp 6% 1931	106	..
Price Bros. 6% 1943	98½	99
Shaw. Cotton 6% 1949	..	78
Shawinigan 5½% 1950	..	102½
Shawinigan 5% 1934	..	101
South Canada Power 6% 1948	101	101¼
Spanish River 8% 1941	107½	..
St. Maurice Power 6½% 1953	106¼	106½
Windsor Hotel 6½% 1943	101	..
West. Koot. Power 6% 1943	101½	..
West Power 5% 1949	90¾	..
West. Power 7% 1926 debs.	99	..
Quebec Power 6% 1953	99	99½
N.S. Steel 6% debs.	49½	52
Electrical Dev. 5% 1933	98¾	..
St. Law. Sugar 6% 1932	89	..

BOND MOVEMENTS OF THE WEEK

WEEK ENDING OCTOBER 28

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Canada Bread	6	1941	5.90	100	96	102	98¾	—	100½	101	—
Cedar Rapids	5	1953	5.11	98½	93	99¾	95	—	98¼	98¼	97¼
Cons. Rubber	6	1946	6.07	102⅜	98¾	99¼	95	100	98½	99⅛	—
Dominion Coal	5	1940	5.37	96	94	98	94¼	—	—	96	—
Montreal Trams	5	1941	5.45	92⅜	87½	95	93⅜	—	94	95	94¾
Quebec Rly.	5	1939	6.02	83½	68	90¼	80	90¼	90	90	—
Sao Paulo	5	1929	7.82	90¼	86	90	86	—	88½	88½	—
Spanish River	6	1931	4.97	104	103½	106	105	106	—	106	—
Steel of Canada	6	1940	5.71	102½	99	105	100½	104	102½	103	102¾
Wabasso	6	1947	6.48	96	85	96⅛	90¾	—	91½	94¼	—
Wayagamack	6	1951	7.37	86¼	75	84½	74⅛	82¼	—	84¾	80⅜
War Loan	5	1925	4.08	100.95	99.10	101.15	100.15	101.05	100.95	100.95	100.70
Do.	5	1931	4.64	101.90	99.80	102.25	100.15	102.10	102.00	102.00	101.75
Do.	5	1937	4.56	103.80	100.75	104.10	102.10	104.05	103.95	104.10	103.60
Victory Loan	5½	1924	5.50	101.65	99.80	100.95	99.90	100.10	100.00	99.90	—
Do.	5½	1927	4.58	103.50	101.50	103.50	102.10	102.90	102.80	102.95	102.10
Do.	5½	1933	4.60	106.55	104.00	106.70	104.30	106.50	106.40	106.50	106.20
Do.	5½	1934	4.96	103.90	101.30	104.90	103.00	104.05	103.95	104.05	103.80
Do.	5½	1937	4.57	108.45	106.10	109.00	106.30	108.90	108.80	109.00	108.60
Do. Renewal	5½	1927	4.75	102.85	100.00	103.67	101.00	102.10	102.00	102.95	101.80
Do. "	5½	1932	4.98	103.20	98.15	104.15	101.35	103.45	103.35	103.75	103.10
Do. Refund	5	1928	4.73	99.80	98.00	101.10	99.40	101.05	100.95	101.05	100.75
Do. "	5	1943	4.85	99.00	97.90	102.85	99.90	102.10	102.00	102.10	101.95

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Place	Date	Purpose	Sold To—	Rate	Maturity	Amount	Price	Yield
Municipal								
Valleyfield, Que.	Oct. 22	....	McLeod, Young, Weir & Co.	5½%	1929-1934	$175,000	101.23	....
Saskatchewan Schools, etc.	Oct. 16	....	Various	.....	.....	10,340	.....	....
Westmount, Que.	Oct.	....	Harris, Forbes & Co.	5%	1924-64	200,000	101.29	....
Hull County, Que.	Oct.	....	McLeod, Young, Weir & Co.	5½%	1944	16,000	103.57	5.20
Donnacona, Que.	Oct.	....	Provincial Securities Co.	5½%	1934	80,000	100.28	5.40
Village of St. Joseph, Que.	Oct.	....	Rene T. Leclerc, Inc.	5½%	1944	11,000	100.25	5.48
Corporation								
Northern Mexico Power	Oct.	....	Tupper & Co., Montreal	7%	1933	500,000	100.	7.00
Cosmos Imperial Mills	Oct.	....	A. E. Ames & Co.	6½%	1944	1,000,000	99.	6.57

MAISON RENE-T. LECLERC INC. 1901

We deal in—
C.P.R. 5's — 1934
Bell Telephone 5's — 1925
Belgo Paper 6's — 1943
Belgo Paper 7's Preferred Shares.
Quebec Power 6's — 1953
Quebec Railway 5's — 1939
St. Maurice Power 6½'s — 1953
Wayagamack 6's — 1951
Montreal Tram-Power 6's — 1929
Montreal Public Service 5's — 1942
Windsor Hotel 6½'s — 1943
Laurentide Power 5's — 1946
Cedar Rapids 5's — 1953
Montreal Tramways 5's — 1941
Abitibi Pulp and Paper 6's — 1940
Also Bonds of Provinces and the larger Canadian Cities

RENE-T. LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)
E147

GUARANTEED
First Mortgage Bond
7%
plus generous Bonus of Common Stock

WE OFFER a short-term First Mortgage Bond which gives a very attractive yield and is at the same time amply secured. Full particulars will be gladly furnished on request. Write to-day.

TEAR OUT
SEND ME CIRCULAR A-2
Name ....
Address ....

CREDIT-CANADA
Limitee
ESTABLISHED 1910
120 ST. JAMES ST., MONTREAL

We Will Buy
Cockshutt Plow, Pfd.,
Massey-Harris.
G. C. Williams & Co.
McKinnon Bldg., Toronto
Phones: Main 2727-2247-3096

MURRAY & COMPANY
Specializing in
Government, Municipal and Corporation Bonds
CONTINENTAL LIFE BUILDING
ADELAIDE 6077-78 TORONTO

VERSAILLES-VIDRICAIRE-BOULAIS
LIMITED
Investment Bankers
MONTREAL QUEBEC OTTAWA
Quebec Municipals and Industrials a Specialty

SHAWINIGAN RIGHTS EXPIRE

The privilege granted to Shawinigan shareholders to purchase relative proportion of new shares at par, also includes optional conversion of fractional "rights" into cash, but it should be specially noted that these privileges will expire at the end of October.

It is imperative, therefore, that shareholders either take up their allotment of new shares; or that the fractional share warrants, issued by the company, be converted into cash through the Montreal Stock Exchange. "Rights" or one-tenth shares are quoted at $3 to $3¼.

We should be glad to make the necessary adjustment of fractional shares, either by purchase or sale.

Dickinson & Walbank
Members Montreal Stock Exchange.
152 St. James Street, Montreal.
Main 4090.
T. Kelly Dickinson, J. Y. K. Walbank,
W. McLea Walbank.

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

1869 Mutual in Theory and Practice 1924

A Life Company that is genuinely MUTUAL exists for one sole purpose—to reach as many homes as possible with its protective policies, furnishing them at the lowest cost. To this end all profits arising from economical management, low mortality, high interest and other sources are distributed IN THEIR ENTIRETY among the members and are used to lower premiums or increase the amount of insurance, or may be withdrawn in cash. Maximum protection at minimum cost is the exclusive aim and object of a truly mutual company. The result of this intensive effort in our own case is that we have given protection at actual cost to the company, and members of the mutual are found in every part of the Dominion—our organization is mutual both in theory and practice.

THE MUTUAL LIFE OF CANADA
Funds Distributed or Held For Distribution, $106,492,134. WATERLOO ONTARIO. Business in Force: $290,000,000.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$81,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

It's Good Business Judgment
The same sound judgment which guides a successful man through the mazes of modern business prompts him to place his fire insurance with the British America Assurance Company.
For ninety years this Company has built and maintained a reputation for prompt payment of claims. All claimants receive a satisfactory settlement immediately upon presentation of their just losses.
The British America Assurance Company of Toronto
Established 1833

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE : MONTREAL
Assets
Two Hundred Million Dollars
You can rest assured

20%
INCREASE
An increase of 20% in the Company's business during the past 12 months is strong evidence of the increasing popularity of the Company's policies. This increase, combined with a lower death rate, means larger returns to all participating policy holders.
Tell us your insurance needs and we will be pleased to give you counsel based on your individual requirements.
EXCELSIOR INSURANCE LIFE COMPANY
MAIL THIS TO-DAY
G. H. NICHOL, City Manager,
203 Excelsior Life Bldg., Toronto.
Send me full information about your Double Indemnity Policy.
My age is ....
Name..........
Address..........
Post Office.......... Prov.......... 43

Insurance for Buyer and Seller

REACH AGREEMENT ON UNIFORM FIRE INSURANCE LAWS

Superintendents Follow Ontario Act With One Major Exception

Another important step in the movement initiated two years ago to secure uniform regulations affecting the insurance business in the different provinces of Canada was taken last week, when the conference of Superintendents of Insurance, meeting at Toronto, adopted the uniform statutory fire conditions modelled on the part of the Ontario Insurance Act, 1924, relating to fire insurance. The lead of Ontario was followed, except in some minor clauses and one major clause affecting the variation of statutory conditions. It is expected that legislation will be introduced in the several provinces to give effect to the recommendations of the conference. When this is accomplished many of the difficulties which have hampered the business of companies operating in a number of provinces should disappear and the relations of the insurer and insured be more clearly defined.

The history of previous developments has been marked chiefly by the difficulty of drafting the provisions agreeable to all those affected by the legislation. At Vancouver, in 1922, the Superintendents of Insurance submitted to the Commissioners on Uniformity of Legislation certain recommendations for the amendment of the Model Fire Insurance Policy Act, as drafted by the Commissioners. These recommendations had been agreed upon with representatives of the Insurance companies, the Canadian Manufacturers' Association, and the Toronto Board of Trade. The Commissioners accepted some but rejected others of the recommendations and subsequent negotiations failed to bring an agreement. At the Conference of Superintendents, in 1923, the decision of the Vancouver conference was reaffirmed, and it was agreed to submit a draft act to some legislature on the understanding that this act be recommended by the Superintendents in the other provinces in the form adopted. While the Model Fire Insurance Policy Act was not introduced, the provisions of it with some variations were included in the Ontario Insurance Act, 1924, which passed at the last session of the Legislature.

One point of contention, concerning the settlement of disputed losses was decided in the Ontario Act by retaining the old system of arbitration in place of the newly suggested plan of appraisal or reference. This was approved by the conference and will be recommended in the other provinces.

The Model Act made no provision for variations of the statutory conditions. The Ontario Department, however, was of opinion that there should be authority for insurer and insured to agree to stipulation affecting the rate of premium respecting the location and maintenance of the insured property not inconsistent with the statutory conditions such as watchmen's clause and similar so-called warranties. Acordingly, section 96 of the Ontario Insurance Act was recommended and adopted by the Legislature.

This provided that variations could be made only by notice in writing, separate from the policy, containing a copy of the agreement, and stating that violation of it invalidated the policy, delivered to the insured by the insurer at the time the policy was issued or renewed. The Conference approved the plan of providing for variations, but agreed on a slightly different method. The objections of the insurers to having to send the separate notice were met by the addition of an alternative precedure. This provides that they may paste the warranties on the face of the policy with a perforated slip attached, which the insured may sign and return to the company, acknowledging the receipt of the notices of warranties. If this slip is returned a separate notice is not necessary, but otherwise the company must forward the separate notice. If regulations, as recommended by the Superintendents, are adopted in all the provinces, much inconvenience will be avoided in the future.

LICENSES ISSUED

The following licenses have been issued by the Department of Insurance, Ottawa: To the Woman's Benefit Association of the Maccabees, to transact life insurance as a fraternal benefit society; to the Merchants Marine Company to issue tornado insurance.

JOINS LONDON LIFE

R. Bruce Currie, who was formerly connected with the Imperial Life Assurance Company, at Winnipeg and Montreal, has been appointed district manager of the London Life Insurance Company at Montreal.

MOVED TO TORONTO

M. Boyd, for the last three and a half years manager of the Travelers Insurance Co., for province of Nova Scotia, recently left Halifax to assume his new duties as associate manager of the Toronto office. Shortly before he departed the agents and office force of the Halifax branch gathered to say farewell and special representative R. F. Merlin, the father of the Company's business in Nova Scotia, expressed in a most befitting manner the regard in which Mr. Boyd was held by those who had worked with him during his regime in Halifax.

SELL MORE INSURANCE

Sales of life insurance in Canada during September, were $30,029,000. This was 16 per cent. higher than any previous September, according to the Life Insurance Sales Research Bureau. Sales for the first nine months of the year were 10 per cent. ahead of the same period last year.

JOINS CROWN LIFE

The Crown Life Insurance Company announces the appointment of J. A. Tedford as organizer, and instructor of agents for the territory east of Toronto. Mr. Tedford has had a number of years' experience in this work, latterly as inspector and organizer of the Sun Life in the same district.

Dominion Annuities Now Total $8,714,762

The steady growth in the popularity of the annuities offered to the public by the Dominion Government is indicated in the report recently issued. Early in September the total stood at $8,714,762 in 7,000 contracts with people in widely divergent walks of life.

The scheme was launched in 1908, but until 1921 made very little progress. From this date, however, the advance has been rapid. The following year the funds held increased nearly 20 per cent., and the advance during the past year has been well maintained. The first time the receipts exceeded the million-doller mark was for the year ending March 31, 1923, when $1,028,353 was paid in.

INSURANCE RESEARCH LOWERS DEATH RATE

Metropolitan President Tells Ontario Staff of the Company's Many Activities

The great part which a life insurance company plays in the development of a country was clearly portrayed by Haley Fiske, president of the Metropolitan Life Insurance Co., in addressing a large section of the Canadian field staff of the company at a banquet in Toronto last week. "The Metropolitan Life," he declared, "is a great public institution touching the various interests of the people." The company, which is the largest in the world, has a billion and a half of assets and the policies in force number 30,000,000 for a total of nine billions of insurance. One in every six in Canada and the United States, Mr. Fiske declared, is insured in the Metropolitan. In the city of Troy the company has more policies in force than the total of population. So extensive is the operation of the company that a policyholder's death occurs on an average every 3.8 minutes.

In speaking of the Metropolitan, Mr. Fiske pointed out what is true of all commpanies that the money collected from the public is not concentrated in the place or city where the head office is located, but is scattered all over the territory from which it is collected. In this way it supplies the credit to run governments, railways, public utilities, hotels, schools, houses, etc. In the case of the Metropolitan, the Canadian investments, claims, expenses, commissions, etc., exceed the total collected from the public by thirty-eight million dollars.

Mr. Fiske dwelt at some length with the work the company is doing to combat disease and extend the mortality averages. He outlined a number of experiments which have been successful in cutting down deaths from such causes as tuberculosis, child birth, etc. In one case the company sent its nurses to Thetford Mines, Quebec, where infant mortality was 333 per thousand. When the nurses left the rate had been reduced to 96 per thousand. Through its welfare work the Metropolitan has been successful in prolonging the lives of those insured by it by nine and one half years.

RESERVE JUDGMENT

Judgment was reserved by Justice Riddell, at London, in the case of Purdom versus Gairdner, Clarke & Co., and the Northern Life Assurance Company last week. The action was brought by J. W. Purdom, former secretary-treasurer of the Northern Life for alleged wrongful dismissal and failure to carry out an agreement. In his evidence Mr. Purdom stated that after the Purdom interests had sold the majority stock to S. C. Tweed and associates, he had assisted Gairdner, Clarke & Co., to secure control of the Northern Life; that he had been promised a permanent position at a salary of $5,000 a year.

CAN SUSPEND AUTO INSURANCE DURING WINTER IN STATES

New Rule Makes Possible Policy Reinstatement Without Penalty

MONTREAL.—Automobile insurance companies in the United States have recently announced a new ruling that might be considered by Canadian companies in connection with the suspension during the winter months of policies on motor cars. This new rule makes it possible to suspend a policy on a car that is laid up for the winter, and reinstate it in the spring without penalty. Interviewed on this subject by THE FINANCIAL POST, automobile insurance men here pointed out that the rule appertains only to the United States, and has never yet been discussed for the Dominion.

In Canada the custom is to either keep up the policy or cancel it altogether for the months during which the car is not in operation. In the latter instance the premium is made upon a short-rate basis. Under the new U. S. rule, it will be permissible this winter upon request of the assured to suspend automobile liability, property damage and collision insurance written for twelve months, with the understanding that upon reinstatement of the policy, when the car is again placed in operation, a pro rata premium credit for the period of suspension will be granted. The backers of this new ruling believe it will be of material assistance in holding the insurance of present policy holders and in stimulating the writing of new business.

The workings of the plan are as follows: Mr. Automobile Owner in a part of the country where the wintry weather cuts down the usefulness of the motor car decides to lay his car up for the season on December 1. He notifies his insurance agent, and an endorsement is then issued by the company suspending the insurance. A copy of the suspension endorsement is signed by the assured and returned to the company as evidence of his understanding that the insurance is no longer in force. In the spring when Mr. Automobile Owner plans to place his car in operation he gives written notice of the date to his agent and the coverage is reinstated with an allowance in the reinstatement endorsement of the pro rata return premium due the assured for the period of suspension. All suspensions shall be dated subsequent to the request of the assured in order to prevent the back dating of suspension endorsements. Similarly, upon reinstatement, the date will be at some time future to the request or at least concurrent with it.

Suspensions can be made for no reason other than the severity of the winter season. The suspension period cannot begin prior to November 1, and must automatically expire not later than the first day of May following. The minimum period of suspension is 60 consecutive days. Further, it is not contemplated that a suspended policy shall be extended beyond its stated date of expiration. If the request for reinstatement is made prior to the expiration date the policy will run for the balance of the policy period and the renewal will be handled in the regular way. On the other hand if the request for reinstatement is made subsequent to the expiration date of the policy period the credit of premium will apply to the expiring policy and a new policy will be necessary as of the date that the request for coverage is made by assured. The policies which are suspended need not be returned to the company.

Any assured who does not wish to avail himself of the suspension privilege, but who desires to cancel his insurance, may do so as before, the calculation of the return premium being made upon a short-rate basis.

It is claimed that the advantages of the new rule will be considerable, inasmuch as the penalty of a short-rate cancellation for a cause due to no fault of the assured has been removed. Producers will now be in a position to concentrate on new business during the spring months, because the handling of insurance for previous policyholders, whose insurance has been suspended, can be accomplished with a minimum amount of time and effort.

The Record of Fire Losses in Canada

Place	Property	Date	Damage	Insurance	Cause
Nova Scotia					
Middleton	L. R. Vernot mill	Oct. 11	8,000	none	......
New Brunswick					
North Devon	W. D. Gunter, lumber mill	Oct. 14	25,000	10,000	......
Matepedia	Bube's Hotel	Oct. 14	4,000	......	unknown
Boiestown	A. McMillan, barns and crop	Oct. 17	5,000	1,500	unknown
Doaktown	Doaktown Lumber Company	Oct. 18	25,000	partial	
Quebec					
Sherbrooke	E. W. Farwell, barn	Oct. 16	total	......	unknown
Quebec	Holt Renfrew store	Oct. 23	heavy	......	......
Lac Megantic	L. P. Villenueve bldg.	Oct. 23	7,500	......	......
Quebec	J. Tremblay barn and pigs	Oct. 21	heavy	......	......
Victoriaville	3 dwellings and store	Oct. 22	607,000	......	......
St. Mathieu de Laprairie	D. Thibault barn	Oct. 21	5,000	small	......
Sherbrooke	Wm. Farrel barn; J. McCrea, aeroplane	Oct. 17	heavy	......	......
Bishop's Crossing	barn and crop	Oct. 15	total	small	......
Plessisville	D. Pepin, barn, crop and live stock	Oct. 15	heavy	......	......
Quebec	A. Marcoux, barn and crop	Oct. 24	total	......	s. combust'n
Plessisville	J. Bellemare barn and crop	Oct. 15	1,000	......	......
St. Romauld	L. Morin bldg.	Oct. 24	total	......	def. wiring
Quebec	E. G. Bloun, gen. store, 4 bldgs.	Oct. 18	50,000	small	......
Ontario					
Holland Landing	S. Goodwin, barn, garage, stables and crop	Oct. 20	total	......	......
Omemee	Mrs. S. Fisher, residence	Oct. 21	4,500	......	......
Cargill	E. Smith, barn	Oct. 21	......	......	unknown
Wiarton	J. Lancaster, residence	Oct. 15	c'nsiderable	covered	......
Orangeville	A. Conley, residence and contents	Oct. 22	3,000	1,500	lamp
Port Perry	W. J. Davey, residence & cont.	Oct. 22	3,000	1,800	furnace
Ottawa	C. P. R. Shop	Oct. 17	500	......	......
Ottawa	G. Mullen car,	Oct. 17	500	covered	......
Hawkesbury	Roman Catholic Church	Oct. 25	300,000	150,000	......
Toronto	Willys-Overland bldg.	Oct. 24	1,200	......	explosion
Tara	D. C. McKinnon, barns and cattle	Oct. 23	10,000	......	sparks
Milton	J. Shipman, barn and contents	Oct. 24	5,000	1,000	......
Ottawa	L. D'Orsonnens, residence	Oct. 22	1,500	partial	......
Toronto	Rain Bros., store and stock	Oct. 26	15,500	......	......
Toronto	White and Company, store	Oct. 26	1,150	......	unknown
Keswick	L. A. Howard residence	Oct. 27	total	......	unknown
Collingwood	H. McDermid, barn, crop and horses	Oct. 26	3,000	......	s. combust'n
Brampton	Gummed Paper Factory	Oct. 27	700	......	oil burner
London	W. Ward and Sons, building	Oct. 20	10,000	covered	unknown
Ottawa	A. Holland, building	Oct. 20	3,000	......	unknown
Drumbo	Wolverton Post Office and dwell.	Oct. 19	total	light	coal oil st'v.
Stratford	M. Ryerson shop	Oct. 18	2,500	......	......
Omemee	C. Davis & A. Clement, res.	Oct. 25	heavy	......	bonfire
Huntsville	H. Sproat, barn and horses	Oct. 25	heavy	none	sparks
Durham	Rob Roy Mills, bldg. & contents	Oct. 25	75,000	partial	......
Saskatchewan					
Regina	Regina Sash & Door Co., shed	Oct. 13	8,000	......	unknown
Tantallon	R. Salkeld barn and contents	Oct. 15	total	......	s. combust'n
Simpson	F. C. Wilson, residence	Oct. 15	total	......	unknown
Alberta					
Raymond	E. P. Walscott, residence	Oct. 8	total	......	def. chimney
Hillhurst	Groceteria store	Oct. 18	consider'ble	......	......
British Columbia					
Vancouver	W. C. Stearman bldg. & stock	Oct. 15	30,000	......	unknown
Vancouver	P. D. Macdonald store, G. Robinson residence	Oct. 14	35,000	......	......

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G.T.R. DIRECTORS BLAMED FOR LOSS OF INVESTMENTS

History of Grand Trunk Railway's Finances is Now Written

G.T.P. CAUSED FAILURE

Montreal Lawyer Declares G. T.'s Life Blood Sapped by Dividends When Reserves Were Paid Out

From Our Own Correspondent.

MONTREAL.—The whole story of the rise and fall of the Grand Trunk Railway is told in historical review in a new book that has just been published by H. A. Lovett, K.C., a Montreal lawyer. Mr. Lovett tells of the stock jobbing and political corruption that marked the formative days of Canada's first large British-controlled enterprise. He draws the conclusion that the securities, which were adjudged by the Cassels-White-Taft board of arbitration, as having no value, had been issued in the first place to cover losses in operation; in other words, he charges that in the years when the lines went behind, securities were issued to cover the losses, and. when there was any profit, dividends were paid to the limit. In this way a top-heavy structure was built up, that collapsed when the Grand Trunk Railway tied itself up with the colossal burden of the Grand Trunk Pacific.

Enthusiastic About the G. T. R.

Mr. Lovett indicates in his work, "Canada and the Grand Trunk" * that the Grand Trunk Directorate assumed the Grand Trunk Pacific burden with willingness, and with high hope of profit. He quotes from annual meeting reports to indicate that the directors promised the shareholders large returns from their guarantee of the Grand Trunk Pacific securities.

Mr. Lovett recalls that the Grand Trunk directors had an opportunity to join with the Canadian Northern, to use the Canadian Northern as the western and the Grand Trunk as the eastern half of a transcontinental system, but they turned down the proposal. This would have saved both railways from disaster. Instead, they proceeded to build their own Western lines, following out a policy similar to that they had followed in building up their Ontario lines, when they bought lines of road that were not needed in order to keep the C. P. R. from getting a foothold in that province.

No Reserves Were Provided

Mr. Lovett believes that the chief cause of the Grand Trunk failure was the continuous sapping of the company's life blood by dividends, following the unsound reorganization in 1862. The shareholders permitted the directors to build up no reserves at all. Unwise expansion in Ontario and the West are also blamed by the author for the Grand Trunk's collapse. The Grand Trunk Pacific scheme was adopted, he says, "with cheers," and in the face of protests to the effect that its execution would provide the ruin of the company.

An appendix to Mr. Lovett's work outlines possible solutions of the railway problem of Canada. He is inclined to favor the adoption of Lord Shaughnessy's scheme of leasing the Canadian National to the C. P. R. He suggests a plan whereby the Canadian government would acquire ownership of all the C. P. R. and C. N. R. tracks in Canada, leaving to the C. P. R. its terminals, hotels, etc., and the lines in the United States. The 34,000 miles of track would then be leased to the C. P. R. on a basis that would allow the C. P. R. to earn 7 per cent. on its invested capital, plus a small percentage of earnings above that. The remainder would go back to the country's treasury. Or the scheme could be worked, Mr. Lovett thinks, in a way to give Canada two competing lines, by selling the Canadian National lines in the States; buying the C. P. R. lines in Canada, and leasing the C. N. R. and C. P. R. properties to separate companies on the basis outlined.

*Published by F. D. Goodchild, Toronto.

JUDGE GARY ON ANNUAL SURVEY BUSINESS TREND

(Continued from page 1)

There are no public reports showing the total production and shipment in this country of all classes of steel and iron for this period. The subsidiary companies of the corporation which possess something less than one-half the capacity of all manufacturers in the United States, sold about two thousand tons per day more of steel in June than in May, about six thousand more tons per day in July than in June, about ten thousand more tons per day in August than in July, about six thousand tons per day more in September than in August, and about five thousand tons per day more for the first seventeen days of October than for the first seventeen days of September. The shipments for the same period, on the average, exceeded sales because of the accumulated unfilled orders on the books which were placed prior to May.

Partly due to spirited competition in selling and partly to other causes, including increased costs of production while various works were in less than full operation, and also including the disturbance and confusion created by the abandonment of the Pittsburgh Plus system, so called, the net cash results during the last quarter have been somewhat less in proportion than would be indicated by the decrease in tonnage alone. This undoubtedly will be shown by the accounts of the Steel Corporation when they are made up; and unfortunately it is more pronounced as to some of the independent manufacturers. As to the corporation, it is believed the profits for the last quarter were substantial notwithstanding the adverse influences adverted to.

The future success of the iron and steel industry in this country is assured if the managers will keep their heads, and further if the approaching election results shall be satisfactory. As to the first proviso, we have the opportunity and the responsibility. As to the second, it is for the majority of the national electors to determine whether or not they desire continued prosperity. All of us, all the people of the United States, must together enjoy prosperity or suffer from adversity.

It goes without saying that business conditions in this country during the next year and during the next four years depend largely upon the result of the election on November fourth proximo. Every well-informed business man or woman knows that if the best men are elected there probably will be continued and increasing prosperity, and that if others less capable and less worthy are selected we may expect depression and disturbances in business, less production, more idleness, less comfort, more distress; a decided interruption to legitimate progress that will not be easily nor soon overcome.

In this greatest of all nations, with largest opportunities for worthy achievement and human happiness, there is possibility of suicidal action or neglect that will cause immeasurable loss and suffering to multitudes. But sentiments of self-protection will influence the large majority of voters to give careful thought to the best interests of the country and to themselves, and they will therefore wisely discriminate and decide. In this most important, if not critical, period in our history, they can be depended upon to act along the lines of prudence and safety. They will not take unnecessary chances of danger by adopting untried and uncertain theories or selecting officials whose competency is assured largely, if not alone, by their own professions and promises.

No name for president is mentioned in these remarks; no political creed will be discussed; but some of the qualifications for the official leader of our great and beloved country may properly be referred to. First of all, he should be possessed of the highest moral principles. He should be absolutely impartial, disposed to favor no person or aggregation or interest to the undue prejudice of another. He should be modest, plain and simple, and still courageous, dignified and wise. He should ascertain the facts and patiently consider before he decides any question presented. He should truthfully and frankly inform the country concerning all public matters wherever it can be done without prejudice to governmental interests, relying upon an honest people for approval concerning the merit of his attitude. He should not hesitate to speak the truth, when it is necessary, nor to remain silent when no one could be injured thereby. He should be willing to lend his influence and devote his talents to legitimate business progress and general prosperity, and likewise to prevent and penalize corruption and wrong. He should endeavor to assist and to protect the poor, the weak and the suffering, and, at the same time should be willing to help the rich, the strong and the happy when it is indisputably right to do so. He should practice and enforce strictest economy and husband all resources in governmental administration, but should not indulge in false economy. He should be willing to properly co-operate with and to assist foreign nations, entertaining always an intention of first considering and protecting the interests of his own country.

Notwithstanding, as usual, every fourth year we are passing through a mud-slinging campaign, with its unfavorable effects, except there is an extraordinary quantity of mud this year, we shall find that an intelligent and fair-minded majority will be wise and courageous in their action. An over-ruling Providence, up to the limit of what this country deserves, will guide and direct the people. We will succeed in all laudable undertakings in spite of the unworthy efforts and words of unprincipled or incompetent individuals.

Our Ship of State is too great, too fine, too solid, substantial and strong to be pronounced unseaworthy on the words of unscrupulous, unintelligent or inexperienced men, and then turned over to a board of underwriters. I am convinced the public has been right during the last few months in believing the election returns will be satisfactory, as shown by the steady and persistent increases in the volume of business. With such a result we may look forward through the autumn and succeeding months with hope and confidence. We shall not make ourselves a laughing stock to the onlookers of foreign countries, some of whom possibly watch and comment upon our attitude. We shall be friendly to them and, so far as proper and practicable, will be helpful, but we shall keep ourselves in the moral, financial, commercial and industrial condition necessary for the best service and most active assistance whenever justly called upon.

Gentlemen, are any of you pessimists? Are you discouraged or downhearted? Look ahead. Our lands, our climate, our wealth, our productive and transportation facilities, our increasing consuming desire and capacity, our educational advantages, our churches, our protective national constitution, our floating flag, our spirit of loyalty, all remain. Demagogues or anarchists or fakers cannot deprive us of these blessings. Where else on earth can be found another such a nation? Let us be thankful, hopeful, confident and determined. Let us be loyal to our country, to all others who are interested in what we do or say, and to each other.

Investor's Inquiries

(Continued from page 11)

capital will be necessary. Saskatoon is far removed from the large motor markets, a big factor in competition. We would also call your attention to Durant, a proposition put over by a man often referred to as a "wizard" in the auto industry and who was backed by a number of big financiers, yet the stock is now selling at least 50 per cent. below what it was sold at.

ARGONAUT

J. A. B., Montreal.—I hold 5,000 shares Argonaut Gold, costing 62c. What is the outlook for this company?

Indications are that it may be some time before you get your money out of Argonaut. It is highly capitalized, despite its large holdings, and, in addition, is now placing a bond issue. It is evident that it is taking a great deal of money to try and win with this property, and, while there are many who are optimistic, no one seems inclined to assert with any degree of positiveness that their troubles are all over yet. Since you wrote your letter the stock has strengthened several points, and it is just possible that it may move up further.

NEWRAY-CROWN RESERVE

L. H. H., N.S.—Will you give me some information re Newray and Crown Reserve mining stocks? Is there good management behind these? Do you think they are good for a long hold?

Newray is considered a good purchase. The company shares are exchangeable on a basis of 10 shares of old par value $1 for one share new par value $5. Plans are about complete for the distribution of these shares. Coniagas Mining Co. of Cobalt will control the new company, which is operating the Newray, Goldale and Armstrong-Booth properties, under the consolidation. The management is efficient. Crown Reserve is now being managed by Maurice Summerhayes. It is just announced that arrangements to finance a mill have been made. Both issues are regarded as having prospects of a splendid return in the next few years.

ONT. EQUITABLE GROWTH

Business Man, Port Arthur.—Would you be kind enough to give me your opinion on the Ontario Equitable Life and Accident Insurance Company. I am thinking of buying ten shares to put away for my small son.

The Ontario Equitable Life and Accident Insurance Company started in business with an Ontario charter in 1920. Since that time the company has placed its capital stock widely and has built up an agency force of considerable size. The business in force has expanded rapidly so that on December 31, 1923, the company had in force $24,840,903 of insurance, the gain in 1923 being $11,633,904. During 1923 the company absorbed the Policyholders' Mutual Life Insurance Company, which substantially increased its business and assets.

Experience has shown that new companies in the life insurance field have a struggle extending over a period of years to build up their selling organization and place a considerable volume of business on the books. However, most companies which have succeeding in doing this have paid satisfactory dividends, year by year without intermission. The returns in some cases have been exceptionally profitable to the original shareholders. Those in charge of the Ontario Equitable Life affairs have had wide experience in the field and there is every possiblity that the present growth will continue. Consequently the stock offers attraction as a permanent investment.

CANADIAN TRAVEL CLUB

Reader, Ontario. — Would like your opinion of the Canadian Travel Club.

The Canadian Travel Club is an organization which supplies members with certain aids in traveling. The organization is well regarded and membership would be an advantage if you are traveling much. The insurance feature of membership is supplied by accident policies in the Zurich General Accident and Liability Insurance Company. This is a large and old-established insurance company which has its head office in Switzerland. Some time ago the company entered Canada and it operates under a Dominion license. As it maintains the required reserves against all policies outstanding the insurance is safe. Of course, you will note from the policy that the protection afforded in this case is limited to the circumstances and benefits mentioned.

ALL GOOD BONDS

J. K., Ltd., Kitchener. — Will you kindly let me know if you consider the following safe buys?

Northern Ontario Light & Power Co. bonds. (State if 1st mortgage).

Great Northern Power Co. State if mortgage bond or stock.

St. Maurice Power.

P. Burns & Co.

Northern Canada Power Co. bonds. Has all back interest been paid? Also do you consider Metropolitan Bldg. bonds a first-class investment?

Northern Ontario Light and Power bonds are six per cent., 20-year, first mortgage gold bonds, dated April, 1911.

Great Northern Power bonds are 7 per cent., first mortgage.

St. Maurice Power has $9,026,000 first mortgage gold 6½ per cents. and $973,000 6½ sterling debenture stock.

P. Burns & Co. has $3,500,000 first mortgage sinking fund golds 6½ per cents.

Northern Canada Power $4,500,000 first mortgage sinking fund 6½ per cents.

All these issues, along with Metropolitan Bldg. bonds, are well secured and regarded as good investments.

November Dividend Payments

Dividends	$ 4,616,474
Bond interest	41,589,394
	$46,205,868

Company	Rate	Date	Amount
Amer. Salesbook, pref.	1¾q	1	$ 53,782
Cape Breton Elec. pref.	3s	1	9,420
Canada Cement, pref.	1¾q	15	183,750
Can. Converters	1¾q	15	30,335
Cedar Rapids	¾q	15	66,750
Dominion Bridge	1q	15	65,000
Dominion Park	3y	1	12,000
Ford Motor	10	15	700,000
Hollinger Mines	1m	3	246,000
Inter. Nickel, pref.	1½q	1	133,689
Kaministiquia Power	2q	15	49,940
Loew's Buffalo, pref.	2q	1	26,720
Murray-Kay, pref.	1¾q	1	17,500
Monarch Knit, pref.	1¾q	1	13,125
Mont'l L., H. & P., com.	1¾q	15	1,131,061
Montreal Power	2q	15	376,000
Montreal Tramways	$2.50q	3	100,000
Montreal Water, pref.	*$25	15	125,000
Do., pref.	3½s	15	17,500
Do., com.	62½cs	15	14,000
Mortgage Corp. of N.S.	1⅛q	1	8,443
North. Mex. Pr., pref.	†7	1	210,000
Ont. Steel Prod., com.	1q	15	7,500
Do., pref.	1¾q	15	13,125
Penmans, com.	2q	15	43,012
Do., pref.	1½q	1	16,125
Russell Motor, pref.	1¾q	1	21,000
Simpson, Robt., pref.	3s	1	100,500
South. Can. Pr., com.	$1	15	50,000
St. Lawrence Fl'r, com.	1½q	1	18,000
Do., pref.	1¾q	1	10,063
Steel of Canada, com.	1¾q	1	201,250
Do., pref.	1¾q	1	113,684
Sherbrooke Loan	3s	1	7,500
			$4,191,774
Banks			
Imperial	3+1q	1	280,000
Standard	3q	1	120,000
Sterling	2q	15	24,700
			$424,700

* Special dividend.
† Year's accrued to Jan., 1922.
y Yearly.
q Quarterly.
s Half-yearly.
m Monthly.

Company	Rate	Due	Amount
Atlantic Coast Coll.	7	1944	$175,000
B. C. Sulphite	6	1926	7,800
Belding-Corticelli	5	1936	11,645
Brompton Pulp	6	1935	25,380
Do.	8	1941	68,248
Canada Steamships	7	1942	200,371
Cuba Railroad	5	1960	100,000
Canadian Salt	7	1941	23,485
C. N. R. Income	5	1930	603,502
Cascade Water	4½	1940	4,567
Connors Bros.	6½	1938	8,125
Davies, Wm.	6	1942	72,750
Dominion Coal	5	1940	129,500
Dominion Park	7	1936	4,550
Duluth Sup. Tract.	5	1930	24,225
Do.	5	1930	62,500
Granby Cons. Mining	6	1928	42,870
Do., deb. bonds	8	1925	100,000
Laurentide Power	7	1941	50,190
Manitoba Power	7	1941	262,500
Mercury Mills	6½	1942	25,480
Montreal Cotton	5	1943	15,122
Mississippi River Pr.	7	1935	114,811
Montreal Tramways	6½	1924	237,250
Penmans	5	1926	50,000
Paton Mfg.	6	1953	18,000
Provincial Paper	6	1940	43,860
Porto Rico Railways	5	1936	58,312
Do.	5	1962	32,240
Spanish River Pulp	8	1941	120,000
Wabasso Cotton	7	1942	26,250
Whalen Pulp	6	1920-34	86,775
Do.	7	1932	106,750
Corporation Bonds			$2,912,058
Municipal Bonds			*3,400,000
Provincial Bonds			*2,800,000
Victory Loan, Ren.	5½	1927	799,381
Do., Ren.	5½	1932	2,348,381
Do.	5½	1933	12,283,254
Do.	5½	1924	2,968,779
Do.	5½	1934	14,077,541
			$41,589,394

* This figure is determined by dividing by 12 the estimated total interest payable during the year in these issues.

MCKENNA FOR DAWES PLAN

Reginald McKenna, chairman of Midland Bank, London, in a letter to J. P. Morgan & Co. of New York, wished them complete success in the flotation of the German loan. Mr. McKenna stated that the acceptance of the Dawes scheme in its entirety seems indispensable to European recovery, while it is necessary that investors be assured that the security behind the loan represents the whole capacity of Germany.

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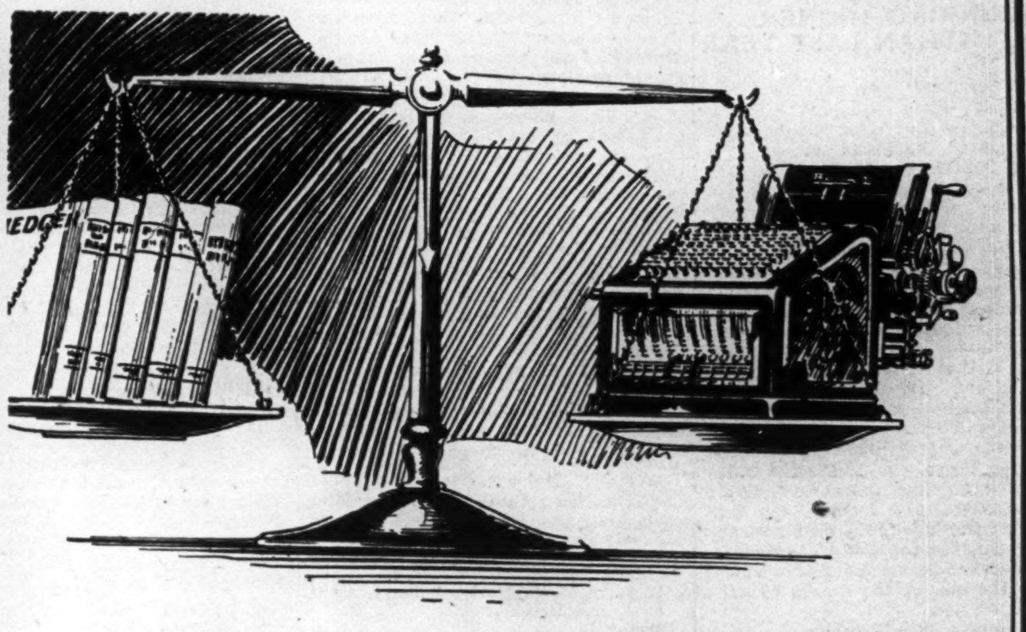

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NEW OIL BEARING FORMATION FOUND IN WEST. ONTARIO

Cut in Drilling Deep Well Shows 25 Barrels Daily

A new oil sand, so far unnamed, has been discovered in Western Ontario, to the west of the Bothwell and Thamesville fields. It has been proven to be oil bearing. Operations to carry a well to the lower Trenton formation recently cut it and is showing 25 barrels daily. Geological surveys have been carried out in the area for some time and it is believed that a new and fairly extensive pool has been found. It is to be tested out immediately. Heretofore the oil production of Western Ontario has been from the corniferous limestone at a depth of 300 to 400 feet. It provided the producers of Petrolia, Oil Springs, Bothwell, Mosa, Thamesville and the Klondyke pool. The new sand, about 40 feet in thickness, is 300 to 400 feet below the corniferous, or a depth of about 700 feet.

Three companies, Ajax Oil and Gas, a purely Canadian concern, Eagle, on whose board there is a representative of the Henry L. Doherty interests of New York, as well as the ex-general manager of their Canadian subsidiary, Dominion Natural Gas and Vacuum Gas, controlled in New York, but handled exclusively in Canada, have combined their forces to test out the new sands. They have secured leases on the area thought to include these sands. Murray Alexander, Toronto, who is secretary of all three companies, which have done a considerable share in the development of Western Ontario oil fields, says they are hopeful that the new sands will prove a big producer and will add materially to the oil output of Western Ontario. The companies are all in a position to go ahead with immediate operations, having high class equipment and plenty of finances to carry on with. It is expected that the first well will be completed in less than a month. E. P. Rowe has assumed charge of field operations.

GRAIN RECEIPTS RUNNING HIGHER THAN LAST YEAR

(Continued from page 1)

Northwest Grain Dealers' Association and the Dominion Government approximated the actual wheat crop. During September, 1923, these estimates stood: Free Press, 452,503,169; Northwest Grain Dealers, 394,810,000; Dominion Government, 357,295,000. The Free Press used the same acreages as the Dominion Government whereas the Northwest Grain Dealers used an estimate of acreages of their own. The Dominion Government estimate was made about September 1, that of The Free Press on the 8th, and that of the Northwest Grain Dealers' Association on the 27th. It will be seen, therefore, that at the time the estimates were made The Free Press was 10,469,256 bushels too high, the Northwest Grain Dealers 47,223,913 bushels too low, and the Dominion Government 84,758,913 bushels too low. The Dominion Government estimate was raised before the end of the month to 446,775,000.

The outturn again raises the question of the need of more accurate methods of obtaining the acreages in the various provinces. The present method of obtaining them through the schools is more likely to prove inaccurate in Alberta than in the other provinces owing to its larger unorganized areas.

Canadian Pacific Service

A NATIONAL ASSET

As the greatest transportation company in the world, the Canadian Pacific Railway has maintained a national service in the Trans-Canada, Limited, which is second to none, and on the conclusion of the summer schedule of this crack train, has transferred the equipment to the Vancouver Express which leaves Toronto every night at 10.10 p.m. on its trip across the continent, via Winnipeg, Calgary, Banff, Lake Louise, the spiral tunnel, Sicamous, and parts of the Canadian Pacific Rockies, famous throughout the world, on its way to Vancouver, where the travellers are unanimous in their praise of the service of the Vancouver Hotel. The Canadian Pacific also operates a steamship service to Victoria, the Mecca for winter tourists.

Not only does the Vancouver Express carry tourist and standard sleepers, but it also carries a compartment-observation car complete in itself, while a parlor car is added from Revelstoke to Vancouver.

Added to this national service is a feature service from Toronto to Montreal via the Lake Shore Line, which has been entirely reballasted with crushed rock and relaid with 100 pound rails, insuring a maximum of comfort for travellers at night as well as an absence of dust in daytime. Trains leave Toronto Union Station at 9.00 a.m. daily, 10.00 p.m. daily, except Saturday, and 11.00 p.m. daily. Arriving at Windsor Station, the traveller has the benefit of immediate facilities in the women's rest room, lunch room and barber shop, which cannot be duplicated in any other station in Montreal. An added convenience is offered those who wish to travel to Montreal from North Toronto, in the 9.45 p.m. train, daily, except Saturdays, from Yonge Street Station.

Canadian Pacific agents will gladly make your reservations and supply you with any information you require. They are fully qualified to offer a "second to none" service to the public.

Solution for Two Auto Problems of Large Cities

Two important evolutions as a result of the development of the auto industry are now being adopted. One is the erection of a large five-story garage in Detroit by the owners of several large downtown office buildings. The desire is to provide parking space for their tenants. Rates charged are from $11 monthly on a yearly lease to $17 on a monthly basis. The rental drops $1 for each floor above the ground floor.

The second proposal was mentioned not long ago, by Chief of Police Dickson, Toronto, as a means of avoiding congested traffic. It is for arcade sidewalks. This is being tried out now in New York and Philadelphia. The walk is inside the building line and takes up a part of the first floor of the structure. It is claimed that this will enhance the rental value of the street frontage stores on the ground floor.

Lowney Holding Firm is Being Dissolved

From Our Own Correspondent.

MONTREAL.—As a result of its sale of its holdings in the Fry's chocolate interests in Canada, the Canadian Cocoa and Chocolate Company is being dissolved. Its other assets is the Walter M. Lowney Company of Canada.

A new Lowney concern is being incorporated and shareholders in the Canadian Cocoa will receive bonds and stock in the new company. Each shareholder will receive a $100 bond and four shares of no par value in the company, as well as a proportionate share of cash assets for each share he owns.

FAVORABLE BALANCE IS QUARTER BILLION

Greater Improvement in Trade Position Than at Any Time Since Depression Started

The foreign trade report for the year ending September reflects a more favorable trade position than at any corresponding time since the beginning of the depression. In comparison with the year ending September, 1923, it is significant that there has been a rise in exports of $76,000,000, and a decline in imports of the same amount, creating an increase in our favorable balance of more than $150,000,000. Total imports for the period were $826,196,002, and exports $1,073,463,570, making an export balance of $247,267,568.

A large part of the improvement noted took place in our trade with the United States, with which country we increased our exports by $13,000,000, and lowered our imports to the extent of $72,000,000. This has lowered our unfavorable balance with the United States since 1922 by approximately $50,000,000, despite the operation of the Fordney-McCumber Tariff. In the case of the United Kingdom, also, our imports declined, while our exports increased by about $14,000,000.

In Canada's trade with other countries, the interesting features were: An increase in exports to Germany from $11,774,000 to $20,531,052; to Japan, from $17,867,000 to $26,275,000; to China, from $7,128,000 to $14,932,000; to Belgium, from $13,976,000 to $17,157,000, and to New Zealand, from $10,976,000 to $13,575,000. The largest single factors in the total increase were a rise of $54,000,000 in the exports of grain and grain products, of $15,000 in exports of metals, and of $9,000,000 in shipments of paper products.

Alberta Tar Sands to be Tested at Petrolia

The first carload of Alberta tar-sands to be shipped out of Alberta for experimental purposes is being sent from Edmonton to Petrolia, Ont. The shipment is being made by the Draper interests, who are operating tar-sand claims at Waterways, north-east of Edmonton on the Clearwater River. The carload of material will be sent to Petrolia, where the municipal authorities will use the material for the repairing of street paving. Part of the material will also be used for experimental purposes at the Draper plant at Petrolia.

WILL BOOST TOURIST ROUTE

A Southern Ontario Highway Assoc. to boost Lake Erie north shore route, Windsor to Niagara Falls, as a tourist route has been organized at St. Thomas. They will raise $6,400 to finance their first campaign.

The Movement for Bigger Banks

(Continued from page 1)

the greater number being in the former province, and with only five or six branches west of the Great Lakes.

The Thirtieth Amalgamation

Amalgamation of Molsons Bank with the Bank of Montreal, following closely upon the amalgamation of the Standard Bank and the Sterling Bank, reduces the total number of chartered banks in Canada to twelve.

Since Confederation there have been thirty amalgamations. Since the beginning of the war no fewer than ten amalgamations have occurred, and these figures take no account of failures. Thus there is scarcely more than half as many banks operating now as there were ten years ago.

The record for mergers is even between the Canadian Bank of Commerce and the Bank of Montreal, each having absorbed six other institutions. The Royal Bank of Canada and the Bank of Nova Scotia each has four amalgamations in its record. The largest individual merger on record was that of the Bank of Montreal and the Merchants Bank, where a total capital of $32,500,000 was involved.

The Montreal-Molsons negotiations are being carried out with the consent of the Department of Finance.

Molsons Bank

Capitalization	Authorized	Outstanding
Stock	$ 5,000,000	$ 4,000,000
Reserve . ..	......	5,000,000
Undivid. prof.	......	134,858

Dividend Record—
12 per cent. quarterly, January, April, June, and October.

Directors—
F. W. Molson, president; W. A. Black, W. M. Birks, J. W. Ross, J. M. McIntyre, Montreal; Wm. Molson MacPherson, Quebec; A. O. Dawson.

Profit and Loss—	1922	1923
Profits	$ 682,104	$ 614,357
Bal. forward	187,355	266,318
	$ 869,459	$ 880,675
Dividends	480,000	480,000
Govt. tax	75,000	68,000
Pension fund ...	38,141	37,817
Subscription . .	10,000	10,000
Reserve	......	150,000
Balance	266,318	134,858
	$ 869,459	$ 880,675

Six Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$ 712,485	$ 440,000	$ 248,029
1919	818,802	470,000	275,435
1920	822,718	480,000	518,092
1921	752,389	480,000	187,355
1922	682,104	480,000	266,318
1913	614,357	480,000	134,858

Market Record—

1921		1922		1923		1924	
H.	L.	H.	L.	H.	L.	H.	L.
180	168½	170	157	177	154½	159	151

Bank of Montreal

Capitalization	Authorized	Outstanding
Stock	$31,175,000	$27,250,000
Reserve	....	27,250,000
Undiv. prof.	....	659,582

Dividend Record—
12% payable March, June, September and December.

Directors—
Sir Vincent Meredith, Bart., President; Sir C. B. Gordon, Vice-president; Hon. Robt. Mackay, Wm. McMaster, H. W. Beauclerk, G. B. Fraser, Gen. Sir A. Currie, G.C.M.G., K.C.B.; H. R. Drummond, Lt.-Col. Herbert Molson, C.M.G., M.C., Lt.-Gov. H. Cockshutt, C. R. Hosmer, D. Forbes Angus, Harold Kennedy, E. W. Beatty, Sir Lomer Gouin, James Stewart.

Profit and Loss—	1922	1923
Profits	$4,756,668	$4,496,417
Bal. forward ...	1,501,646	558,815
	$6,258,314	$5,055,232
Dividends	3,657,500	3,815,000
Dom. tax	491,999	530,650
Premises	500,000	50,000
Reserve	1,050,000	......
Balance	558,815	659,582
	$6,258,314	$5,055,232
M. B. Stock		x4,200,000
To reserve		4,200,000

x—Capital stock of the Merchants' Bank in excess of the value of par of the capital stock of the Bank of Montreal issued and cash paid therefor.

Six Years' Earnings—

Year	Earnings	Dividends	Surplus
1918 ..	$2,562,720	$1,920,000	$1,901,613
1919 ..	3,314,227	2,372,250	1,812,854
1920 ..	4,033,995	2,960,000	1,251,850
1921 ..	3,949,796	3,080,000	1,501,646
1922 ..	4,756,668	3,657,500	558,815
1923 ..	4,496,417	3,815,000	659,582

Market Record—

1921		1922		1923		1924	
H.	L.	H.	L.	H.	L.	H.	L.
215½	195½	235	212	248½	225½	248	230

Standing of Two Banks

The standings of the two banks as of August 30, 1924, according to figures furnished the Government, and the totals, are shown in the following table:

Liabilities

	Montreal	Molsons	Total
Notes in circulation	$ 39,168,215	$ 5,001,297	$44,169,512
Due Dominion Government	47,272,008	176,881	47,448,889
*Advances	....	1,000,000	1,000,000
Due Provincial Government	2,964,378	788,805	3,753,183
Deposits, demand	113,894,514	11,427,210	125,321,724
Deposits, notice	294,533,476	39,341,841	333,875,317
Deposits, foreign	86,395,461	....	86,395,461
Due other banks in Canada	3,319,832	334,239	3,654,071
Do. United Kingdom	160,314	47,985	208,299
Do. elsewhere	1,776,438	142,058	1,918,496
Bills payable	74,234	....	74,234
Letters cred.	9,185,267	769,840	9,955,107
Other liabilities	566,661	240,286	806,947
Unpaid dividends	824,519	2,314	826,833
Rest	27,250,000	5,000,000	32,250,000
Capital	27,250,000	4,000,000	31,250,000
Total liabilities	$654,635,322	$68,272,758	$722,908,080

*—Under Finance Act.

Assets

	Montreal	Molsons	Total
Current coin	$ 17,244,474	$ 599,295	$17,843,769
Dominion notes	49,688,816	3,232,583	52,921,399
Notes other banks	3,684,441	529,375	4,213,816
Foreign currency	696,086	119,497	815,583
Cheques, other banks	21,459,089	2,626,804	24,085,983
Due other banks Can.	....	2,630	2,630
Do. United Kingdom	2,618,785	404,938	3,023,723
Do. elsewhere	25,282,157	1,126,949	26,409,106
†Government security	89,567,808	7,286,369	96,854,177
Municipal, etc.	49,951,948	1,359,209	50,311,157
Rails, etc.	6,842,263	1,291,817	8,134,080
Call loans, Canada	7,401,306	4,498,516	11,899,822
Do. outside	97,067,573	....	97,067,573
Current loans, Canada	198,604,358	38,055,823	236,660,181
Do. outside	21,173,608	....	21,173,608
Loans to prov. govts.	4,042,847	....	4,042,847
Loans to towns, etc.	21,482,282	781,437	22,263,718
Non-current loans	2,045,971	689,796	2,735,767
Realty	898,100	131,666	1,029,766
Mortgages	975,541	66,106	1,041,647
Premises	9,800,000	2,917,889	12,717,889
Letters credit	9,185,267	769,840	9,955,107
Dep. with min.	1,360,241	197,000	1,557,241
C. G. Res.	15,000,000	1,500,000	16,500,000
‡Cont. companies	1,288,925	306,585	1,595,510
Other assets	592,915	291,474	888,389
Total assets	$656,954,808	$68,785,605	$725,740,413

†—Dominion and provincial.
‡—Shares of and loans to controlled companies.

DEBENTURES

Corporation of Carleton Place

TENDERS will be received at the Town Clerk's Office, Carleton Place, Ont., up to noon, November 10th, for $30,750 Water Works Bonds and $21,708 High School Bonds. Both issues are thirty-year, 5½% installment bonds dated December 1st, 1924, payable at the Town Treasurer's Office, Carleton Place, yearly. All tenders are to be made payable in Carleton Place funds.

By order, Finance Committee.

H. NICHOLSON,
Clerk-Treasurer,
Carleton Place, Ont.

THE CANADIAN BANK OF COMMERCE

Dividend No. 151

Notice is hereby given that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1924, together with a bonus of one per cent., payable at the Bank and its Branches, on and after Monday, 1st December next.

The Transfer Books of the Bank will be closed from the 17th November to 30th November next, both days inclusive.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 17th October, 1924.

STEEL PRODUCTION

PITTSBURGH. — The steel industry has been operating at between 60 and 65 per cent. for 60 days past and is showing no definite trend at the present time. During this period there has been complaint made about how hard it is to get orders, but the mills get them. As the average operating rate since the armistice, during six years, has been about 66 per cent., the mills are not doing so badly at the present time.

DIVIDENDS

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter. A BONUS of TWO per cent. has also been declared for the year ending 31st October, 1924, both payable on and after MONDAY, the FIRST DAY OF DECEMBER next, to shareholders of record of 31st October, 1924.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 21st October, 1924.

DIVIDENDS

The Consumers' Gas Company of Toronto

NOTICE OF ANNUAL MEETING

The Annual General Meeting of the Shareholders of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Board Room, 17 Toronto Street, Toronto, on Monday, the 3rd day of November, 1924, at 12 o'clock, noon.

By order of the Board.

ARTHUR HEWITT,
General Manager.

The Royal Bank of Canada

Dividend No. 149 and Bonus

NOTICE IS HEREBY GIVEN that a Dividend of Three Per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, also a bonus of two per cent. for the year ending November 29, 1924, and that the same will be payable at the bank and its branches on and after Monday, the first day of December next, to shareholders of record at the close of business on the 15th day of November.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., October 17, 1924.

Canadian Pacific

Canada's Heaviest Taxpayer

IN the five years, 1919-1923, inclusive, the Canadian Pacific paid into the revenues of the country in taxes of all kinds the huge total of $31,666,830.08.

The Canadian Pacific has returned in taxes to Canada a large part of all the cash subsidies that have been granted to it.

The original subsidy was $25,000,000 and 25,000,000 acres of land, and some of the land was returned to the government on the basis of $1.50 per acre in liquidation of a loan for $10,000,000, which had the effect of increasing the cash subsidy to $35,000,000 and reducing the land subsidy to 18,300,000 acres. To this must be added the value of 700 miles of road built by the government before the project was turned over to the Canadian Pacific, and various subsidies earned by lines before having been taken over by the Canadian Pacific.

But to the cash in taxes returned to the country, must be added the incalculable benefits the Canadian Pacific has brought to Canada by the expenditure of $68,000,000 for colonization and irrigation, the construction of 8,000 miles of branch lines in the west, the settlement and development of 17,000,000 acres of its lands, the development of mines and lumber industries, the benefits conferred upon the country by the greatest system of transportation in the world, extending over two oceans and the continent, and the world-wide advertisement of Canada as the possessor of such a system.

Canada has received back in taxes from the Canadian Pacific much of its own capital investment and, in addition, dividends in benefits which, if they could be calculated in dollars, would amount to hundreds of times the original cost of the Canadian Pacific to the country.

To-day the Canadian Pacific is in better position than ever to serve the country. Its world-encircling organization, its steamship lines and its 15,000 miles of railroad in Canada, enable it to continue, with greater efficiency, the work of building up the country which it has helped to make.

CANADIAN PACIFIC

Canada's Greatest Revenue Producer

7